

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

McDonnell Douglas: Docket 98-NM-340-AD.

Applicability: Model MD-90-30 series airplanes, as listed in McDonnell Douglas Service Bulletin No. MD90-27-026, dated September 30, 1998; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (c) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent interference between the elevator cable pulley and the shroud frame of the ventral stairway, which could result in pitch oscillation of the airplane, and consequent damage to the elevator cable pulley and reduced controllability of the airplane, accomplish the following:

(a) Within 12 months after the effective date of this AD, perform a one-time visual inspection to measure clearance and detect interference between the elevator cable pulley and the shroud frame of the ventral stairway in accordance with Phase 1 of McDonnell Douglas Service Bulletin No. MD90-27-026, dated September 30, 1998.

(1) If clearance is greater than or equal to 0.5 inch, and if no interference is detected: Within 18 months after performing the inspection, accomplish the requirements of paragraph (b) of this AD.

(2) If clearance is less than 0.5 inch, or if any interference is detected: Prior to further flight, accomplish the requirements of paragraph (b) of this AD.

(b) Modify the shroud frame of the ventral stairway in accordance with Phase 2 of McDonnell Douglas Service Bulletin No. MD90-27-026, dated September 30, 1998.

(c) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

(d) Special flight permits may be issued in accordance with sections 21.197 and 21.199

of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on February 2, 1999.

John J. Hickey,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 210, 228, 229, 230, 239, 240, 249 and 260

[Release Nos. 33-7637; 34-41014; International Series Release No. 1182; File No. S7-3-99]

RIN 3235-AH62

International Disclosure Standards

AGENCY: Securities and Exchange Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Securities and Exchange Commission (the "Commission") is proposing to improve the comparability of information provided to investors and securities markets by issuers offering or listing securities in multiple markets. To achieve this goal, we are proposing to revise our disclosure requirements for foreign private issuers to conform to the international disclosure standards endorsed by the International Organization of Securities Commissions in September 1998. Under this proposal, the international disclosure standards would replace most of the non-financial statement disclosure requirements of Form 20-F, the basic disclosure document for foreign private issuers. We would make conforming changes to the registration statements used by foreign private issuers under the Securities Act of 1933, to reflect the changes in Form 20-F. We also are taking this opportunity to propose changes in the definition of "foreign private issuer" to give clearer guidance on how foreign companies should determine whether their shareholders are U.S. residents.

DATES: You should send us your comments so that they arrive at the Commission on or before April 12, 1999.

ADDRESSES: You should send three copies of your comments to Jonathan G. Katz, Secretary, U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Stop 6-9, Washington, D.C. 20549. You also may submit your comments electronically to the following electronic mail address: **rule-**

comments@sec.gov. All comment letters should refer to File No. S7-3-99; you should include this file number in the subject line if you use electronic mail. Comment letters will be available for public inspection and copying at our Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. We will post electronically submitted comment letters on our Internet Web site (<http://www.sec.gov>).

FOR FURTHER INFORMATION CONTACT:

Sandra Folsom Kinsey, Senior International Counsel, or Rani Doyle, Staff Attorney, in the Office of International Corporate Finance, Division of Corporation Finance at (202) 942-2990.

SUPPLEMENTARY INFORMATION: We propose amendments to Form 20-F¹ under the Securities Exchange Act of 1934.² As part of those amendments, we propose to delete Rule 3-19 under Regulation S-X.³ We propose amendments to Rule 3-20 under Regulation S-X,⁴ Items 402, 512, and 601 of Regulation S-K,⁵ Rules 175, 434 and 463 of Regulation C,⁶ Forms F-1, F-2, F-3, F-4, F-6 and S-11⁷ under the Securities Act of 1933,⁸ Exchange Act Rules 3b-6, 13a-10 and 15d-10,⁹ and Rule 0-11 under the Trust Indenture Act of 1939¹⁰ to correct references to the items in Form 20-F which would be revised in connection with the amendments to Form 20-F. We propose amendments to Rules 3-01, 3-02 and 3-12 under Regulation S-X¹¹ and to Item 310 of Regulation S-B¹² to correct references to Rule 3-19. We also propose to revise the definition of foreign private issuer in Securities Act Rule 405¹³ and Exchange Act Rule 3b-4.¹⁴

I. Executive Summary

It is becoming more common for companies to increase their global presence and lower their cost of capital by listing on foreign securities markets and raising capital outside their home

¹ 17 CFR 239.220f ("Form 20-F").

² 15 U.S.C. §§ 78a *et seq.* (the "Exchange Act").

³ 17 CFR 210.3-19.

⁴ 17 CFR 210.3-20.

⁵ 17 CFR 229.402, 17 CFR 229.512 and 17 CFR 229.601.

⁶ 17 CFR 230.175, 17 CFR 230.434 and 17 CFR 230.463.

⁷ See 17 CFR 239.31, 17 CFR 239.32, 17 CFR 239.33, 17 CFR 239.34, 17 CFR 239.36 and 17 CFR 239.18.

⁸ 15 U.S.C. §§ 77a *et seq.* (the "Securities Act").

⁹ 17 CFR 240.3b-6, 17 CFR 240.13a-10 and 17 CFR 240.15d-10.

¹⁰ 17 CFR 260.0-11.

¹¹ 17 CFR 210.3-01, 17 CFR 210.3-02, and 17 CFR 210.3-12.

¹² 17 CFR 228.310.

¹³ 17 CER 230.405.

¹⁴ 17 CER 240.3b-4.

country. When companies offer or list their securities outside their home market, however, they often face a variety of different, and sometimes conflicting, regulatory systems. The Commission has recognized this problem, and many of our initiatives for foreign issuers have had the goal of reducing barriers to cross-border offerings and listings in the United States. We have long believed that investors in the United States benefit when they have a wide range of investment choices, and we have sought to increase their investment opportunities in foreign companies while preserving the protections they have come to expect under the federal securities laws.

The Commission, as a member of the International Organization of Securities Commissions (referred to as IOSCO), also participates in a number of international initiatives intended to make the world's securities markets safer and more efficient for investors. In particular, IOSCO has been working for years to facilitate the cross-border flow of securities and capital by promoting the use of a single disclosure document that would be accepted in multiple jurisdictions. IOSCO recently endorsed a core set of disclosure standards for the non-financial statement portions of a disclosure document, and encouraged its members to take whatever steps are necessary in their own jurisdictions to accept disclosure documents prepared in accordance with those standards.¹⁵ As a member of IOSCO, the Commission played an active role in the development of these standards.

In 1979, when the Commission adopted Form 20-F, the basic disclosure document for foreign private issuers, we said that our action "represent[ed] an important step, but only a step, in the harmonization of international disclosure standards."¹⁶ In our 1988 policy statement on the regulation of international securities markets, we noted that "[t]he ultimate goal should be the development of an integrated international disclosure system."¹⁷ Today we are proposing to take another significant step in that direction by revising our existing foreign issuer integrated disclosure system to incorporate fully IOSCO's international disclosure standards.

We believe the international disclosure standards represent a strong international consensus on fundamental disclosure topics and that they can be used to produce offering and listing documents that will contain the same high level of information as is called for by our current requirements. The proposed revisions to Form 20-F in no way decrease the amount or quality of information investors will receive. Using the international disclosure standards, issuers would find it easier to offer or list securities outside their home country by preparing a core disclosure document that, with a minimum of national tailoring, may be accepted in multiple jurisdictions. This disclosure document would serve as an "international passport" to the world's capital markets by reducing the barriers to cross-border offerings and listings. Adopting this approach would provide a means for expanding the investment opportunities available to U.S. investors, while still ensuring that they receive a high level of information comparable to that provided by U.S. companies.

The international disclosure standards would replace most, but not all, of the current requirements of Form 20-F, the combined registration and annual report form for foreign private issuers under the Exchange Act. Foreign private issuers also would use the international disclosure standards in preparing the registration forms designated for their use under the Securities Act. Although the international disclosure standards were drafted specifically for use only for offerings and listings of equity securities for cash, we propose to expand their scope, consistent with our existing foreign issuer requirements and the current usage of Form 20-F, to cover all types of registration statements regardless of the type of securities or form of consideration, and to cover annual reports. Our proposal would eliminate Rule 3-19 of Regulation S-X, which governs the financial statements of foreign private issuers, since the requirements of that rule are addressed in the international disclosure standards.

We also are proposing to revise the definition of "foreign private issuer" found in the rules under the Securities Act and the Exchange Act.¹⁸ Whether or not an issuer satisfies the foreign private issuer definition determines its eligibility to use particular forms under the Securities Act and the Exchange Act. Foreign private issuers also are not

subject to the proxy rules under Section 14 of the Exchange Act, and their company insiders are not required to file reports of beneficial ownership or comply with the short-swing trading rules under Section 16 of the Exchange Act.¹⁹ The foreign private issuer definition, which is the same under both Acts, is based in part on whether a majority of the issuer's outstanding voting securities are held of record by U.S. residents. Issuers may not be applying the definition as intended, however, because of the increased prevalence of offshore nominees and custodial accounts. For guidance in calculating U.S. ownership, we are proposing to direct issuers to Exchange Act Rule 12g3-2(a), which requires issuers to look through the bank, broker-dealer or other nominee holder to determine the residence of the account holder. We also propose to require the issuer to take into consideration the residence information reported by investors on beneficial ownership reports that are provided to the issuer or filed publicly, as well as information otherwise provided to the issuer. We believe that these methods of calculation will give a better picture of whether or not a company incorporated outside the United States is entitled to the accommodations available to foreign private issuers.

II. Discussion

A. Background

The Commission historically has sought to balance the information needs of investors with our awareness that the interest of the public is served by opportunities to invest in a variety of securities, including foreign securities.²⁰ In our 1988 policy statement, we noted that "[t]he goal in addressing international disclosure and registration problems should be to minimize regulatory impediments without compromising investor protection."²¹ The globalization of the securities markets and new technological developments have challenged securities regulators around the world to adapt to the needs of market participants while maintaining their current levels of investor protection and preserving market integrity. Investors increasingly are interested in investing in foreign companies, and technological advances have made it easier for them to do so.

¹⁹ See Exchange Act Rule 3a12-3, 17 CFR 240.3a12-3.

²⁰ Securities Act Release No. 6360 (Nov. 20, 1981) [46 FR 58511].

²¹ Securities Act Release No. 6807 (Nov. 14, 1988) [53 FR 16965].

¹⁵ You can find the full text of the standards endorsed by IOSCO, as well as other IOSCO documents cited in this release, on the IOSCO Internet Web site <<http://www.iosco.org>>.

¹⁶ Exchange Act Release No. 16371 (Nov. 29, 1979) [44 FR 70132 at 70133].

¹⁷ Securities Act Release No. 6807 (Nov. 14, 1988) [53 FR 46963 at 46965].

¹⁸ See Securities Act Rule 405, 17 CFR 230.405, and Exchange Act Rule 3b-4, 17 CFR 240.3b-4.

As these market forces have accelerated, the Commission periodically has reexamined its approach to regulating the U.S. securities markets, keeping in mind the fundamental need for investor protection.

Because of the flow of capital across borders, we and other securities regulators around the world have an interest in ensuring that a high level of information is available to investors in all markets. Our 1988 policy statement noted that "all securities regulators should work together diligently to create sound international regulatory frameworks that will enhance the vitality of capital markets." That approach has proven useful in a number of instances in the past, and it is equally useful in the context of disclosure requirements for cross-border offerings and listings. Worldwide regulatory consensus on high level disclosure requirements means that companies complying with those requirements will find open doors to capital markets around the world. For this reason, we have been actively involved in IOSCO's efforts to develop a set of high quality international disclosure standards.

B. IOSCO Development of the International Disclosure Standards

IOSCO is an international, non-profit association of securities regulatory organizations. It has approximately 160 ordinary, associate and affiliate members and works on a variety of projects of interest to securities regulators around the world. The Commission has been a member of IOSCO for several years.²² IOSCO's two key committees are the Technical Committee and the Emerging Markets Committee. The Technical Committee is composed of 16 regulatory agencies that regulate some of the world's largest, more developed and internationalized securities markets; its objective is to review major regulatory issues related to international securities and futures transactions and to coordinate practical responses to these concerns. The Commission is a member of this Committee.

In 1987, IOSCO's Technical Committee began a study of the then emerging methods of offering securities on a multinational basis and the problems associated with multiple listings. As a result of this study, IOSCO issued a report in 1989 making a number of recommendations to facilitate

multinational capital raising. Among other things, the report recommended that "regulators be encouraged, where consistent with their legal mandate and the goal of investor protection, to facilitate the use of single disclosure documents, whether by harmonization of standards, reciprocity or otherwise."²³ Since that time, IOSCO has sought to increase the efficiency of the capital raising process for issuers that offer or list securities in more than one jurisdiction. Although IOSCO has devoted much of its energies to an ongoing project on accounting standards,²⁴ it also has focused on the non-financial statement disclosures in offering and listing documents, such as the description of the issuer's business, its management and the securities it plans to offer or list. Members of the IOSCO Technical Committee first compared their existing national disclosure requirements to identify areas of commonality.²⁵ The next step was to develop a consensus on high quality disclosure on a number of topics and prepare standards that reflected that consensus. After consultation with the Emerging Markets Committee, IOSCO's Technical Committee published a formal consultation document relating to this project in May 1998 for review by the IOSCO membership.

In September 1998, IOSCO endorsed the Technical Committee's "Disclosure Standards to Facilitate Cross-Border Offerings and Listings by Multinational Issuers" and recommended that IOSCO members take all appropriate steps in their home jurisdictions to accept documents prepared in accordance with the standards.²⁶ In adopting the standards, IOSCO stated:

Issuers will benefit directly from being able to prepare a single non-financial statement

²³ *International Equity Offers—Summary*, International Organization of Securities Commission, 8 (Sept. 1989).

²⁴ In a separate project, IOSCO has agreed with the International Accounting Standards Committee ("IASC") that, upon successful completion of a work program on a core set of international accounting standards, IOSCO will consider endorsement of those standards for use in cross-border offerings and listings. In April 1996, the Commission issued a statement in support of the efforts of IOSCO and the IASC and indicated that, if the IASC successfully completes the agreed-upon work program and if the core standards satisfy the criteria set forth in our statement, we will consider accepting the core standards for use by foreign issuers in cross-border securities offerings and listings in the United States. IOSCO's assessment of the IASC core standards currently is underway.

²⁵ *Comparative Analysis of Disclosure Regimes*, International Organization of Securities Commissions (Sept. 1991).

²⁶ IOSCO actions are not binding on its members, and many IOSCO members must take further action at the national level to implement any IOSCO initiatives.

disclosure document for capital raising and listing in more than one jurisdiction at a time. At the same time, investors will benefit from the comprehensive nature of the required disclosures and the enhanced comparability of information. These Standards represent an important step forward in reducing the costs of cross-border capital raising without sacrificing investor protection.²⁷ IOSCO also noted that, although the standards were approved only in the context of cross-border offerings by foreign issuers, they might provide a point of reference for jurisdictions considering changes in their standards for domestic issuers.²⁸ The standards were not intended to be part of a mutual recognition system, and IOSCO specifically noted that disclosure documents prepared in compliance with the standards would remain subject to host country review or approval processes.

The international disclosure standards consist of ten core disclosure items and a glossary of defined terms. The ten core items are:

Item 1. Identity of Directors, Senior Management and Advisors.

Item 2. Offer Statistics and Expected Timetable.

Item 3. Key Information. This item includes requirements for selected financial data, the reasons for the offer and the expected use of proceeds, and information about risk factors.

Item 4. Information on the Company. This item includes requirements for a description of the issuer's business and properties.

Item 5. Operating and Financial Review and Prospects. This item corresponds to the current requirement for management's discussion and analysis of financial condition and results of operations.

Item 6. Directors, Senior Management and Employees. This item includes requirements relating to compensation and shareholdings.

Item 7. Major Shareholders and Related Party Transactions.

Item 8. Financial Information. In addition to requirements relating to the

²⁷ Final Communiqué of the 23rd Annual Conference of the International Organization of Securities Commissions (Sept. 18, 1998).

²⁸ Securities regulatory authorities in several emerging market jurisdictions have indicated that they expect to look to the IOSCO standards for guidance in revising their requirements for domestic issuers. For example, press reports indicate that a governmental commission in Singapore recently recommended that Singapore move to a disclosure-based regulatory system and suggested that disclosure requirements for listed companies could be based on the IOSCO standards. In addition, we understand that some European Union countries are considering incorporating the IOSCO standards into shelf registration or continuous disclosure systems.

²² Other U.S. members of IOSCO include the Commodity Futures Trading Commission and the North American Securities Administrators Association as associate members and the National Association of Securities Dealers—Regulation and the New York Stock Exchange as affiliate members.

presentation of financial statements, this item contains requirements that correspond to current Rule 3-19 of Regulation S-X, as well as requirements relating to legal proceedings.

Item 9. The Offer and Listing. This item includes requirements for a description of the offering, including the plan of distribution, trading markets, selling shareholders, dilution and expenses.

Item 10. Additional Information. This item includes requirements for, among other things, a description of the issuer's share capital, significant provisions of its articles of incorporation and bylaws, its material contracts, and applicable taxes.

These core disclosure requirements, which are the subject of this proposal, are contained in Part I of the international disclosure standards. Part II of the standards contains a sample compilation of national requirements that issuers will be expected to comply with in certain jurisdictions. Several additional requirements under the U.S. federal securities laws are referenced in Part II, and there would be no change in those requirements.

C. Reasons for the Proposals

We are proposing to revise our disclosure standards for foreign private issuers to incorporate the international disclosure standards in their entirety. We are doing this for several reasons. We believe that the increasing globalization of the securities markets makes it important for securities regulators to work together to promote and maintain high quality disclosure standards. The recent volatility in securities markets around the world has highlighted the need for increased transparency in the information that public companies make available to the capital markets. IOSCO, with its broad membership and common goal of investor protection, is well-situated to move forward in this area, and its efforts are likely to receive international support.²⁹ Broad acceptance of the international disclosure standards may raise the level of disclosure in some capital markets, particularly if developing markets begin to modify their domestic disclosure requirements to conform more closely to the standards.

We support international initiatives that raise the level of information available to investors, facilitate the flow of capital and reduce the regulatory burdens on foreign issuers, if they do so in a manner that is consistent with our mandate to protect investors. We believe

the best way to promote the use of the international disclosure standards is to incorporate them fully into our existing foreign issuer integrated disclosure system.³⁰ We do not believe that investor protection would be jeopardized by using the international disclosure standards because we expect no change in the quality of disclosure that investors receive.

We believe U.S. investors would benefit from this proposal in a number of ways. The disclosure documents they receive from foreign private issuers would be based on updated disclosure standards that more closely reflect current international practice. Investors in the United States would benefit from increased investment opportunities if the proposal reduces regulatory burdens on foreign issuers and results in an increase in the number of foreign companies that offer or list securities in the U.S. capital markets. If the IOSCO standards are broadly accepted (particularly if they prompt changes in domestic disclosure requirements in developing markets), they would raise the level of disclosure available to U.S. investors regardless of whether they invest in foreign companies in the U.S. securities markets or in foreign markets.

We believe that foreign issuers will benefit from being able to prepare one core disclosure document that may be accepted in multiple jurisdictions. This should reduce the cost of capital raising for issuers and allow them to make decisions about where to raise capital or list their securities with less concern about the costs and burdens of complying with multiple regulatory systems.

We request comment on whether our assumptions about the benefits of this proposal are valid. Are the anticipated benefits to U.S. investors likely to be realized? Are the proposals likely to reduce the costs that foreign issuers incur in satisfying the regulatory requirements of different jurisdictions? Will foreign issuers realize significant efficiencies by preparing a single core disclosure document even though some additional disclosures may be required to satisfy specific national requirements? Will U.S. issuers and their access to capital be affected by these changes? How will U.S. small businesses be affected?

We believe the international disclosure standards are of comparable

quality and will produce disclosure of at least the same high level of information as our existing requirements. In some cases, the international disclosure standards require more disclosure than our current Form 20-F. For example, they require disclosure of beneficial ownership at a five percent level, rather than the 10 percent level currently required by Form 20-F. To the extent the international disclosure standards differ from our current disclosure requirements, we believe they do not compromise investor protection, and therefore would fulfill the requirement in Section 7(a) of the Securities Act that the information required be "fully adequate for the protection of investors." We also believe that incorporating the international disclosure standards into Form 20-F will bring our foreign issuer disclosure requirements closer in line with the best practices from major securities markets around the world. For example, the five percent level for disclosing beneficial ownership reflects an international consensus arrived at through discussions with foreign securities regulators. By revising Form 20-F to incorporate the international disclosure standards, we at the same time conformed our beneficial ownership disclosure requirement for foreign issuers with the current requirement for U.S. companies.

We request comment on whether the proposed amendments to Form 20-F, taken as a whole, are comparable in quality to the current disclosure requirements for foreign private issuers. Specifically, if Form 20-F and the Securities Act registration forms for foreign private issuers are amended as proposed, are foreign issuers likely to prepare registration statements and reports that provide at least as high a level of disclosure as those produced under the current versions of those forms? Will the information be sufficiently comparable to that required of U.S. companies to enable investors and other market participants to assess foreign and U.S. companies on an equal basis? Are there specific differences between the current disclosure requirements and the proposed requirements that either would impose undue burdens on foreign registrants or would deprive investors of important information? If so, which differences would have that effect?

The international disclosure standards were intended to be used by issuers seeking to register or list their securities in multiple jurisdictions. By incorporating the text of the international disclosure standards fully into Form 20-F, foreign issuers would

³⁰ We are proposing to preserve the original wording of the international disclosure standards to the maximum extent possible. We think this approach will promote consistent use of the standards and will help foreign issuers recognize them as a national version of the IOSCO standards accepted in other jurisdictions.

²⁹ See note 28, *id.*

be required to comply with the standards even if the United States is the only jurisdiction outside their home country where they register or list their securities. We do not believe, however, that this approach will burden those registrants unduly, because the proposed standards generally are similar to our current disclosure requirements for foreign private issuers.

We considered the alternative of creating a two-tiered system of disclosure requirements that would preserve the current foreign issuer integrated disclosure system, but offer foreign issuers the option of complying with the international disclosure standards if they are seeking to access more than one securities market. Introducing a two-tiered system would mean foreign issuers would have to "elect" which category of the system they fall into based on whether they plan to access more than one foreign jurisdiction; these issuers might encounter delays if their plans changed in the future. We also believe that our proposal promotes regulatory simplification and that use of the standards will be more widespread if they become an integral part of our disclosure system for foreign issuers.

We request comment, however, on whether a more limited adoption of the standards is preferable. Will compliance with the requirements of revised Form 20-F be unduly burdensome to foreign issuers that do not offer or list their securities in multiple jurisdictions? If so, would this burden be offset in whole or in part by the benefits of a single, uniform disclosure system for foreign issuers in the United States and by the goal of promoting international acceptance of high quality disclosure standards?

The proposed changes to our disclosure requirements apply to foreign private issuers and would not affect our requirements for U.S. issuers. They also would not affect the requirements that apply when an issuer prepares financial statements on the basis of accounting principles other than U.S. generally accepted accounting principles. Thus, this proposal would not affect the financial statement reconciliation requirements in Items 17 and 18 of Form 20-F.

Although we propose to change our rules and forms to reflect the wording of the standards endorsed by IOSCO in September 1998, if these proposals are adopted the standards would become part of the U.S. federal securities laws and would be interpreted and enforced in the same manner as other Commission rules and forms. We do not intend for this proposal to alter any

individual's or entity's liabilities under the federal securities laws or change the procedures for offering or listing securities in the United States. This proposal also would not change our current procedures and practices for reviewing and commenting on filed documents. We request comment on whether the proposals require clarification on these points.

D. Revisions to Form 20-F

Form 20-F is the primary source of the disclosure requirements for foreign private issuers under the federal securities laws. It is used as an initial registration statement under the Exchange Act and as an annual report form for foreign private issuers required to file annual reports pursuant to Section 13 or 15(d) of the Exchange Act. Unlike many Commission forms, the disclosure requirements for Form 20-F are set forth in the form itself, rather than referencing the central body of disclosure requirements in Regulation S-K. The Securities Act registration forms designated for use by foreign private issuers primarily refer to the items of Form 20-F, although in some cases they refer to items of Regulation S-K.

We are proposing to replace current Items 1-14 of Form 20-F (excluding Item 9A) with ten new items that track the wording of the IOSCO disclosure standards.³¹ Existing Item 9A (Quantitative and Qualitative Disclosures about Market Risk) of Form 20-F would be renumbered and retained. Disclosure about market risk is an important part of our disclosure requirements, but it is not an area where there currently is international consensus, and so was not addressed in the international disclosure standards. Existing Item 15 (Defaults Upon Senior Securities) and Item 16 (Changes in Securities and Changes in Security for Registered Securities) of Form 20-F also would be renumbered and retained, and the wording would be revised to reflect "plain English" drafting principles. These two items apply only when Form 20-F is used as an annual report form, and would continue to apply only to annual reports under this proposal.

Existing Items 17 and 18 of Form 20-F would be retained but would not be renumbered; these items explain the

³¹ Although the terminology of the international disclosure standards reflects the international backgrounds of their drafters, we believe the meaning of unfamiliar terms will be clear to readers. For example, the standards use the term "financials year" to mean the same thing as the term "fiscal year" under our rules and regulations. The glossary of defined terms will assist readers, and in some cases we have added instructions to clarify our interpretation of the standards.

financial statement requirements for registration statements and reports and the different types of reconciliation to U.S. GAAP that must be provided by issuers who prepare financial statements using accounting principles other than U.S. GAAP. Currently, the text of Item 18 is largely the same as the text of Item 17 with few, but important, differences. We propose to revise Item 18 to eliminate the redundant text and highlight the differences. These revisions are intended only to simplify the way the Item 18 requirements are presented and are not intended to change the substantive requirements of that item.

Although the international disclosure standards were intended to cover only equity securities, we propose to adapt them for use with securities other than equity. The primary modification we propose for this purpose is to add a supplemental item to Form 20-F containing the "description of securities" requirements for securities other than equity, which currently are not included in the standards.³² We propose to simplify existing Item 19 (Financial Statements and Exhibits) by deleting the requirement for a separate list of the financial statements included with the filing. We are proposing to revise the General Instructions to Form 20-F to reflect plain English drafting principles and to expand the instructions to include the defined terms used in the IOSCO standards.³³ We also are proposing to revise the "Instructions As To Exhibits" to conform the exhibit requirements for Form 20-F with the exhibit requirements for registration statements filed by U.S. issuers under the Exchange Act and to reflect plain English drafting principles. For example, we are proposing to add exhibit requirements

³² See proposed Item 12 of Form 20-F. The requirements of this new item are equivalent to the comparable requirements currently found in Item 14 of Form 20-F and Item 202 of Regulation S-K. Securities other than equity also would be subject to the other disclosure requirements of Form 20-F, as applicable.

³³ To the very limited extent that a defined term in Form 20-F also is defined under the Exchange Act or the Securities Act, foreign private issuers would look to the definition in revised Form 20-F. The term "affiliate" is defined in Securities Act Rule 405 and in Exchange Act Rule 12b-2, as well as in the international disclosure standards, but there is no substantive difference in the definitions. The term "equity security" is defined in Securities Act Rule 405 and Exchange Act Rule 3a11-1, while the term "equity securities" is defined in the international disclosure standards. These definitions do not conflict, since the definition in the international disclosure standards primarily serves to narrow the scope of those standards. Under our proposed amendments to Form 20-F, the standards will apply to all types of securities, so the limitations in the international disclosure standards definition generally will not be relevant.

for indentures, voting trust agreements, and statements describing how earnings per share and ratios of earnings to fixed charges were calculated. We also propose to add expanded requirements for management compensation plans and an exhibit reference for any additional exhibits the issuer wishes to file and any documents not otherwise filed with the Commission that are incorporated by reference. All of these exhibit requirements currently are required for domestic issuers filing a registration statement on Form 10 or an annual report on Form 10-K. We request comment on whether these additional exhibit requirements would be unduly burdensome to foreign issuers.

We are not proposing any changes to "Appendix A to Item 2(b)—Oil and Gas," other than to correct item references, because we are considering whether to revise our extractive industry disclosure requirements for foreign registrants. We also are not proposing any changes to the existing Industry Guides. Companies in various industries such as banking (Guide 3) and insurance (Guide 6) must continue to comply with the applicable Industry Guide.

E. Revisions to Securities Act Registration Forms

Forms F-1, F-2, F-3 and F-4, the Securities Act registration forms designated for use by foreign private issuers, currently cross-reference the disclosure requirements of Form 20-F and, to a lesser extent, Regulation S-K. We are proposing to revise the cross-references in these Securities Act registration forms so that they will refer to revised Form 20-F wherever possible. Some items in these Securities Act registration forms will continue to refer to Regulation S-K; these items would be renumbered, but otherwise would be unchanged.

There are certain offering-related disclosure requirements in the international disclosure standards that normally would not be found in an Exchange Act registration statement or Form 20-F annual report. Examples include proposed Items 2 (Offer Statistics and Expected Timetable) and 9.B. (Plan of Distribution). Under our current disclosure requirements, these topics are covered in Regulation S-K. We considered inserting the text of these requirements in Forms F-1, F-2, F-3 and F-4, but concluded that this would be inconsistent with the way Securities Act registration forms have developed under our integrated disclosure system, as well as with the approach we recently proposed in the

Securities Act Reform Release.³⁴ We also considered inserting these requirements in Regulation S-K, but believed that it was preferable to keep the core disclosure items together as a unit in Form 20-F, thereby preserving that form as the central reference point for foreign issuers' disclosure requirements. This structure is convenient for foreign private issuers and is familiar to those issuers who currently use Form 20-F and the Securities Act registration forms. The structure also will help prospective registrants recognize the Form 20-F requirements as the U.S. version of the international disclosure standards that are accepted in other jurisdictions. We are proposing, therefore, to include these offering-related items in Form 20-F with instructions that they apply only if referenced by a Securities Act registration statement and not if the form is being used solely as an Exchange Act registration statement or an annual report. We request comment on this proposed organization.

We are proposing to amend Form F-6, the form used for registering American depositary shares, so the requirement for a description of the American depositary shares will cross-reference Form 20-F rather than Regulation S-K. We also are proposing to amend Form S-11, the form used by certain real estate companies, to correct cross-references to Form 20-F.

F. Revisions to Regulation S-X

Rule 3-19 of Regulation S-X currently specifies the content, age and other requirements for financial statements applicable to filings by foreign private issuers. We are proposing to eliminate Rule 3-19 because the requirements of the rule would be addressed in new Item 8 of Form 20-F. We believe the requirements in new Item 8 are clearer and more understandable than Rule 3-19.

The substantive requirements currently contained in Rule 3-19 essentially would be unchanged in Item 8, except for the provisions of the rule that relate to the age of financial statements. Under Rule 3-19, the financial statements and U.S. GAAP information must be as of a date within ten months of the effective date of the registration statement, and the audited financial statements for the most recent completed fiscal year (including U.S.

GAAP information) must be included in registration statements declared effective more than six months after fiscal year-end. Under this rule it is possible, depending on the timing, for a foreign private issuer's registration statement to be declared effective with audited financial statements as old as 18 months, with the most recent interim financial statements as old as 10 months.

Proposed Item 8 of Form 20-F would require that audited financial statements be no older than 15 months at "the time of the offering or listing," which generally means the effective date of the registration statement. In the case of the issuer's initial public offering, the audited financial statements also must be as of a date not older than 12 months at the time the offering document is filed. This stricter rule for initial public offerings would not apply to foreign issuers offering securities in the United States for the first time, however, if they already are public in their home country.³⁵ Proposed Item 8 also provides that if the date of a registration statement is more than nine months after the end of the issuer's last fiscal year, the registration statement must contain interim financial statements (including U.S. GAAP information), which may be unaudited, covering at least the first six months of the issuer's fiscal year.

With respect to the 15-month audit requirement, it became apparent in the course of developing the international disclosure standards that many securities regulators require audited financial statements used in connection with offerings or listings to be more current than Rule 3-19 requires. Because an issuer would have to comply with stricter home country requirements, there are likely to be limited circumstances in which a foreign issuer from these countries would need to take advantage of the extended time permitted under Rule 3-19.³⁶ Issuers would be able to avoid a

³⁵ Since many foreign issuers already are public companies when they file their first registration statement in the United States, we believe the 12-month rule would apply only in very limited circumstances. Even in those circumstances, we would consider waiving the requirement if the issuer can represent adequately to us that no jurisdiction outside the United States imposes the 12-month requirement and that complying with the requirement is impracticable or presents undue hardship.

³⁶ The effect would be to leave a "blackout period" starting three months after the close of an issuer's fiscal year during which its audited financial statements for the past fiscal year will no longer satisfy the Item 8 requirements and its audited financial statements for the most recent completed fiscal year would not yet be required to be filed on Form 20-F. The maximum extent of this

³⁴ Securities Act Release No. 7606A (Nov. 13, 1998) [63 FR 67174]. The Securities Act Reform Release proposes sweeping changes to the offering registration process. If adopted, those proposals would change the registration forms used by foreign private issuers, but would not affect the substantive disclosure requirements proposed in this release.

“blackout period” and satisfy new Item 8, however, by preparing audited financial statements as of a more current date than the close of their prior fiscal year or by filing their annual financial statements prior to the six-month deadline permitted under the Exchange Act. Although we do not believe that, as a practical matter, reducing the permitted age of financial statements will unduly burden foreign issuers, we request comment on whether that is the case. In particular, we would be interested in knowing how often issuers actually take advantage of the extended time periods permitted under Rule 3-19, and how likely it is that offerings or listings would be delayed or precluded by the requirements of new Item 8? To the extent the requirements of new Item 8 impose a burden on some issuers, is this burden likely to be offset by the benefits to most issuers of a clearer rule, a more internationally accepted standard and the availability to investors of more current financial information? Will U.S. investors in foreign securities be affected by these changes?

By incorporating the international disclosure standards into Form 20-F, we are expanding their scope to cover all types of securities rather than just equity securities, because this is consistent with the current requirements of Form 20-F. We request comment on whether the age of financial statements provisions of new Item 8 should be different for securities other than common equity. For example, should the permitted age of financial statements be extended for registration statements relating to preferred stock, investment grade debt and/or non-investment grade debt or preferred securities, to reflect the time period currently permitted under Rule 3-19? We also request comment on whether the permitted age of financial statements should be different for certain types of offerings such as rights offerings, dividend or interest reinvestment plans, and convertible securities and warrants, as is currently the case under Rule 3-19(e)? If so, which securities or which types of offerings should be covered by the extended time periods? Would the advantages of having different age of financial statements requirements for securities other than common equity (or

blackout period would be three months, although under the Securities Act Reform Release, we have proposed shortening the due date for annual reports on Form 20-F from six months to five months after the close of the issuer's fiscal year. If this proposal in the Securities Act Reform Release is adopted, this would have the effect of limiting the blackout period to two months.

for specified types of offerings) outweigh the added complexity?

G. “Foreign Private Issuer” Definition

We are proposing to amend Rule 405 under the Securities Act and Rule 3b-4 under the Exchange Act, which contain the definition of “foreign private issuer.”³⁷ The foreign private issuer definition currently includes a test of whether more than 50 percent of an issuer's outstanding voting securities are held of record, either directly or through voting trust certificates or depositary receipts, by residents of the United States.³⁸ We often are asked by issuers whether they may or must take into consideration the residency of a beneficial owner if they know that such owner's residency differs from that of the record owner.³⁹ We propose to clarify this issue by basing the ownership test on the method of calculation used in Rule 12g3-2(a) under the Exchange Act. That rule follows the definition of “securities held of record” in Rule 12g5-1, but requires the issuer to “look through” the record ownership of brokers, dealers, banks or nominees holding securities for the accounts of their customers to determine the residency of those customers. If a foreign issuer's securities trade in the U.S. markets in the form of American Depositary Receipts, or ADRs, we will presume that shares deposited in the ADR program are held solely by

³⁷ Foreign private issuers have been granted various accommodations under the federal securities laws, and the Commission historically has chosen not to extend those accommodations to foreign issuers whose contacts with the U.S. make them “essentially U.S. issuer[s].” The Commission has recognized that there is an important public interest in this latter group of issuers, and has required them to comply with the same rules and regulations as U.S.-incorporated issuers. See Securities Act Release No. 6433 (Oct. 28, 1982) [47 FR 50292]. The Commission was aware, however, that a foreign-incorporated issuer's securities could migrate to the U.S., bringing its U.S. shareholder base over the 50% level. The second part of the foreign private issuer definition is intended to distinguish these issuers from other foreign issuers that also have over 50% U.S. ownership but are “essentially U.S. issuer[s].” See note 38, *infra*.

³⁸ There are two parts to the definition. The first part is based on ownership of the issuer's securities. The second part of the definition is based on whether (a) a majority of the issuer's executive officers or directors are U.S. citizens or residents, (b) over 50% of its assets are within the United States, or (c) its business is administered principally in the United States. Any one of these three factors, together with majority U.S. ownership, will mean the issuer fails to satisfy the foreign private issuer definition.

³⁹ At least one court has held that the reference to record ownership in Rule 3b-4 must be read literally, on the theory that when the Commission means beneficial ownership it knows how to say it. See *Thouret v. Hudner*, 1996 U.S. District LEXIS 981; Fed. Sec. L. Rep. (CCH) ¶199,037 (S.D.N.Y. 1996).

U.S. residents.⁴⁰ We also propose to require issuers to take into account information regarding U.S. ownership derived from beneficial ownership reports that are provided to the issuer or filed publicly and information that otherwise is provided to the issuer. We believe this approach takes into account the fact that securities, particularly securities of foreign issuers, increasingly are likely to be held by U.S. residents through offshore nominee accounts. These changes to the “foreign private issuer” definition would give a better picture of whether a company incorporated outside the United States is, in fact, the type of entity for whom the special rules and forms for foreign private issuers were intended.

We request comment on whether referencing Rule 12g3-2(a) in the foreign private issuer definition is a workable approach. Should the required inquiry be limited to U.S. brokers, dealers, banks and nominees or their affiliates? Should we apply the automatic presumption that ADR holders are U.S. residents only to unsponsored ADR programs, because in the case of a sponsored ADR program the issuer presumably could obtain current U.S. ownership information from the ADR depositary bank? Is too great a burden imposed on issuers by requiring them to take into account information on U.S. beneficial ownership that is available to them from reports of beneficial ownership and that otherwise is available to them?

III. General Request for Comments

If you would like to submit written comments on the proposals, suggest additional changes or submit comments on other matters that might have an impact on the proposals, we encourage you to do so. Besides the specific questions we asked in this release, we also solicit comments on the usefulness of the proposals to securityholders, foreign private issuers and the marketplace at large. You may comment on portions of the release or respond to selected questions without replying to all the questions raised in the release.

Please send three copies of your comments to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. You also may

⁴⁰ This presumption is consistent with our proposed rules for cross-border rights and exchange offers. Securities Act Release No. 7611 (Nov. 13, 1998) [63 FR 69136]. As was the case in that proposal, if the issuer receives information to the contrary from the depositary, it may rely on that information in calculating the number of shares held by U.S. residents for purposes of the “foreign private issuer” definition.

submit your comments electronically at the following electronic mail address: rule-comments@sec.gov. All comment letters should refer to File No. S7-3-99; this file number should be included in the subject line if electronic mail is used. Comment letters can be inspected and copied in the public reference room at 450 Fifth Street, N.W., Washington, D.C. We will post electronically submitted comments on our Internet Web site <<http://www.sec.gov>>.

IV. Cost-Benefit Analysis

The proposed new rules and amendments update and simplify the disclosure requirements for foreign private issuers. We believe the proposal will make it easier for foreign private issuers to raise capital or list their securities in multiple jurisdictions and that U.S. investors will benefit if foreign issuers find it easier to access the U.S. securities markets. In this section, we examine the benefits and costs of the proposed revisions, focusing on the groups that might be affected. We request that commenters provide their analysis and supporting information on the benefits and costs of the proposals.

Foreign issuers seeking to raise capital or list securities in more than one jurisdiction often encounter differing, and in some cases conflicting, regulatory requirements. These regulatory hurdles may influence issuers' decisions about where to offer or list their securities. A primary goal of the proposed amendments to Form 20-F is to facilitate the use of one disclosure document by issuers seeking to raise capital or list securities in multiple jurisdictions. The proposed amendments are intended to remove regulatory barriers and reduce the registration requirements of cross-border offerings and listings. We expect the amendments to reduce the costs and burdens of complying with regulatory requirements in more than one jurisdiction, because the amendments will bring us closer to the goal of enabling issuers to prepare one basic disclosure document that will be accepted in many jurisdictions. Although some tailoring of the disclosure document will be required to satisfy specific national requirements, issuers will benefit from greater uniformity in the requirements for core disclosure topics.

We believe U.S. investors will benefit because the amendments to Form 20-F will update the disclosure requirements and bring them more in line with current international disclosure requirements. Investors in the United States also will benefit from increased access to foreign investments if foreign

issuers find it easier to offer or list securities in the United States. Any increase in foreign listings may increase the competition for capital in the United States, which could affect both U.S. and foreign issuers.

Foreign issuers should benefit from the ability to access more than one securities market using essentially the same basic disclosure document. In a few cases the amendments to Form 20-F may be more burdensome for foreign issuers than the current Form 20-F requirements because they impose a higher standard of disclosure or require additional information. In those cases, we do not believe that a foreign issuer will incur substantial additional costs in complying with these requirements, since they represent requirements that the issuer would expect to encounter in accessing other major securities markets or in its home jurisdiction.

The proposed amendments to the definition of "foreign private issuer", which require the issuer to look beyond record ownership in determining the U.S. ownership of its securities, should not impose significant additional burdens on foreign issuers. The concept of looking beyond record ownership is familiar to foreign issuers, and the proposed amendments provide clear guidance on how issuers should determine U.S. ownership.

For purposes of the Small Business Regulatory Enforcement Fairness Act of 1996 ("SBREFA"),⁴¹ a rule is "major" if it has resulted, or is likely to result in:

- An annual effect on the economy of \$100 million or more;
- A major increase in costs or prices for consumers or individual industries; or
- Significant adverse effects on competition, investment or innovation.

We request information on the potential impact of the proposed rules and amendments on the economy on an annual basis. Commenters should provide empirical data on: (i) The annual effect on the economy; (ii) any increase in costs or prices for consumers or individual industries; and (iii) any effect on competition, investment or innovation.

Section 23(a) of the Exchange Act⁴² requires us, in adopting rules under the Exchange Act, to consider the impact that rules would have on competition. We cannot adopt any rule that would impose a burden on competition not necessary or appropriate in the public interest. Section 3(f) of the Exchange Act⁴³ requires the Commission, when

engaged in rulemaking, to consider or determine whether the action is necessary or appropriate in the public interest, and also to consider, in addition to the protection of investors, whether the action would promote efficiency, competition and capital formation. We seek information on the impact of increased competition for capital on domestic companies as a result of an increase in securities offered into the United States by foreign companies. Would capital costs increase for domestic companies? If so, to what extent would the benefit to U.S. investors offset the increase in these capital costs? We request comment on whether the proposals, if adopted, would have an adverse effect on competition or would impose a burden on competition that is neither necessary nor appropriate in furthering the purposes of the Exchange Act.

V. Regulatory Flexibility Act Certification

Pursuant to the Regulatory Flexibility Act (15 U.S.C. 605(b)), the Chairman of the Commission has certified that the proposed revisions to rules and forms will not have a significant impact on a substantial number of small entities. We encourage written comments on the Certification. Commenters are asked to describe the nature of any impact on small entities and provide empirical data to support the extent of the impact. For your information, a copy of the certification is attached at Appendix A.

VI. Paperwork Reduction Act

The proposed amendments affect Form 20-F, which contains "collection of information requirements" within the meaning of the Paperwork Reduction Act of 1995.⁴⁴ The title for the collection of information is "Form 20-F." The OMB control number is 3235-0288. The Commission has submitted proposed revisions to those rules and forms to the Office of Management and Budget (OMB) for review in accordance with 44 U.S.C. 3507(d) and 5 CFR 1320.11. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The proposed forms and regulations set forth the disclosures that the Commission would require foreign private issuers to make to the public about themselves and their securities offerings. The proposed amendments would update and simplify the Commission's disclosure requirements for foreign private issuers. The substantive requirements of the forms

⁴¹ Pub. L. No. 104-121, Title II, 110 Stat. 857 (1996).

⁴² 15 U.S.C. § 78w(a)(2).

⁴³ 15 U.S.C. § 78c(f).

⁴⁴ 44 U.S.C. 3501 *et. seq.*

would remain largely the same, but the requirements would be presented in a form that reflects an international regulatory consensus, and thus should be more familiar to foreign issuers. The information is needed so that prospective investors may make informed investment decisions both in registered offerings and in secondary market transactions of registered securities. We estimate that 600 revised Forms 20-F will be filed each year based on our current experience with Form 20-F and our expectation that more foreign private issuers will file the revised form. Our experience also indicates that in subsequent years the number will increase. We estimate the current annual burden of preparing a Form 20-F to be 1,991 hours per filing. From this we estimate that the expected annual burden to a registrant of preparing a Form 20-F as proposed would not exceed 1,995 hours per filing. In estimating the burden associated with the proposed Form 20-F, we considered that, generally, most foreign private issuers currently either disclose or collect the data underlying the information that would be required by the proposed Form. We solicit comment on the accuracy of our estimate. The information collection requirements imposed by the forms and regulations would be mandatory to the extent that companies are publicly owned and either offer securities to the public, register under the Exchange Act or file annual reports. There would be no mandatory retention period for the information disclosed, and the information gathered would be made publicly available unless granted confidential treatment.

Pursuant to 44 U.S.C. 3506(2)(B), we solicit comments to:

- (i) Evaluate whether the proposed collection of information is necessary for the proper performance functions of the agency, including whether the information will have practical utility;
- (ii) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information;
- (iii) Enhance the quality, utility, and clarity of the information to be collected; and
- (iv) Minimize the burden of collection of information on foreign private issuers, including through the use of automated collection techniques or other forms of information technology.

Persons wishing to submit comments on the collection of information requirements should direct them to the following persons: Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and

Budget, Room 3208, New Executive Office Building, Washington, DC 20503; and Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, DC 20549, with reference to File Number S7-3-99. OMB is required to make a decision concerning the collections of information between 30 and 60 days after publication, so a comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication.

VII. Statutory Basis and Text of Proposed Amendments

The proposed amendments to the Commission's existing rules and forms are being proposed pursuant to Sections 2(b), 5, 6, 7, 10 and 19(a) of the Securities Act of 1933 as amended, Sections 3, 12, 13, 15 and 23 of the Securities Exchange Act of 1934, and Section 319 of the Trust Indenture Act of 1939.

List of Subjects

17 CFR Part 210

Accountants, Accounting.

17 CFR Part 228

Reporting and recordkeeping requirements, Securities, Small business.

17 CFR Parts 229, 239 and 249

Reporting and recordkeeping requirements, Securities.

17 CFR Part 230

Advertising, Investment companies, Reporting and recordkeeping requirements, Securities.

17 CFR Part 240

Brokers, Reporting and recordkeeping requirements, Securities.

17 CFR Part 260

Reporting and recordkeeping requirements, Securities, Trusts and Trustees.

Text of Proposed Amendments

In accordance with the foregoing, the Securities and Exchange Commission proposes to amend Title 17, chapter II of the Code of Federal Regulations as follows:

PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

1. The authority citation for part 210 continues to read as follows:

Authority: 15 U.S.C. 77f, 77g, 77h, 77j, 77s, 77z-2, 77aa(25), 77aa(26), 78j-1, 78l, 78m, 78n, 78o(d), 78u-5, 78w(a), 78ll(d), 79e(b), 79j(a), 79n, 79t(a), 80a-8, 80a-20, 80a-29, 80a-30, 80a-37(a), unless otherwise noted.

2. By removing and reserving § 210.3-19.

3. Amend § 210.3-20 in the last sentence of paragraph (d) by removing the words "Items 17(c)(2) or 18(c)(2) of" and add, in their place, the words "Item 17(c)(2) of".

4. By removing in 17 CFR Part 210 the words "§ 210.3-19" and adding, in their place, the words "Item 8.A of Form 20-F (§ 249.220 of this chapter)" in the following places:

- a. Section 210.3-01(h); and
- b. Section 210.3-02(d).

5. Amend § 210.3-12 in paragraph (f) by removing the words "specified in § 210.3-19. Financial statements of a foreign business which are furnished pursuant to §§ 210.3-05 or 210.3-09 because it is an acquired business or a 50 percent or less owned person may be of the age specified in § 210.3-19." and add, in their place, the words "specified in Item 8.A of Form 20-F (§ 249.220f of this chapter). Financial statements of a foreign business which are furnished pursuant to §§ 210.3-05 or 210.3-09 because it is an acquired business or a 50 percent or less owned person may be of the age specified in Item 8.A of Form 20-F."

PART 228—INTEGRATED DISCLOSURE SYSTEM FOR SMALL BUSINESS ISSUERS

6. The authority citation for part 228 continues to read as follows:

Authority: 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77z-2, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, 77sss, 78l, 78m, 78n, 78o, 78u-5, 78w, 78ll, 80a-8, 80a-29, 80a-30, 80a-37, 80b-11, unless otherwise noted.

7. Amend the first sentence in Note 2 of § 228.310 by removing the words "Articles 3-19 and 3-20 (17 CFR 210.3-19 and 210.3-20)" and add, in their place, the words "Item 8.A of Form 20-F (17 CFR 249.220f) and Article 3-20 of Regulation S-X (17 CFR 210.3-20)".

PART 229—STANDARD INSTRUCTIONS FOR FILING FORMS UNDER SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934 AND ENERGY POLICY AND CONSERVATION ACT OF 1975—REGULATION S-K

8. The authority citation for part 229 continues to read in part as follows:

Authority: 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77z-2, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77iii, 77jjj, 77nnn, 77sss, 78c, 78i, 78j, 78l, 78m, 78n, 78o, 78u-5, 78w, 78ll(d), 79e, 79n, 79t, 80a-8, 80a-29, 80a-30, 80a-37, 80b-11, unless otherwise noted.

* * * * *

9. Amend § 229.402(a)(1)(ii) by removing the words "Items 11 and 12 of Form 20-F [17 CFR 249.220f]" and add, in their place, the words "Items 6.B. and 6.E.2. of Form 20-F (17 CFR 249.220f)".

10. Amend § 229.512 in the first sentence of paragraph (a)(4) by removing the words "§ 210.3-19 of this chapter" and add, in their place, the words "Item 8.A. of Form 20-F (17 CFR 249.220f)".

11. Amend § 229.601 in paragraph (b)(10)(iii)(B)(5) by removing the words "Item 11 of Form 20-F" and adding, in their place, the words "Item 6.B. of Form 20-F (§ 249.220f of this chapter)".

PART 230—GENERAL RULES AND REGULATIONS, SECURITIES ACT OF 1933

12. The authority citation for part 230 continues to read in part as follows:

Authority: 15 U.S.C. 77b, 77f, 77g, 77h, 77j, 77r, 77s, 77sss, 78c, 78d, 78l, 78m, 78n, 78o, 78w, 78ll(d), 79t, 80a-8, 80a-24, 80a-28, 80a-29, 80a-30, and 80a-37, unless otherwise noted.

* * * * *

13. Amend § 230.175 by removing in paragraph (b)(2)(i) the words "or Item 9 of Form 20-F (§ 249.220f of this chapter) 'Management's discussion and analysis of financial condition and results of operations,'" and adding, in their place, the words "Management's Discussion and Analysis of Financial Condition and Results of Operations or Item 5 of Form 20-F Operating and Financial Review and Prospects (§ 249.220f of this chapter)"; by removing in paragraph (c)(3) the words "Item 9 of Form 20-F" and adding, in their place, the words "Item 5 of Form 20-F".

14. By amending § 230.405 by revising the definition of "foreign private issuer" to read as follows:

§ 230.405 Definitions of terms.

* * * * *

Foreign private issuer. The term *foreign private issuer* means any foreign

issuer other than a foreign government except an issuer meeting the following conditions:

(1) More than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and

(2) Any of the following:

(i) The majority of the executive officers or directors are United States citizens or residents;

(ii) More than 50 percent of the assets of the issuer are located in the United States; or

(iii) The business of the issuer is administered principally in the United States.

Instructions to paragraph (1) of this definition: To determine the percentage of outstanding voting securities held by U.S. residents:

A. Use the method of calculating record ownership in Rule 12g3-2(a) under the Exchange Act (§ 240.12g3-2(a) of this chapter);

B. Unless information provided by the depositary demonstrates otherwise, count holders of American Depositary Receipts as U.S. holders of the underlying securities; and

C. Count shares of voting securities beneficially owned by residents of the United States as reported on reports of beneficial ownership that are provided to you or publicly filed and based on information otherwise provided to you.

* * * * *

15. Amend § 230.434 by revising paragraph (c)(3)(i) to read as follows; and by removing in paragraph (c)(3)(ii) the words "Item 11 of Form S-3 or Form F-3 (§ 239.13 or § 239.33 of this chapter)" and adding, in their place, the words "Item 11 of Form S-3 or Item 5 of Form F-3 (§ 239.13 or § 239.33 of this chapter)".

§ 230.434 Prospectus delivery requirements in firm commitment underwritten offerings of securities for cash.

* * * * *

(c) * * *

(3) * * *

(i) The description of securities required by Item 202 of Regulations S-K (§ 229.202 of this chapter) or by Items 9, 10 and 12 of Form 20-F (§ 249.220f of this chapter) as applicable, or a fair and accurate summary thereof; and

* * * * *

16. Amend § 230.463 by removing in paragraph (a) the words "Item 16(e)" and adding, in their place, the words "Item 14(e)".

PART 239—FORMS PRESCRIBED UNDER THE SECURITIES ACT OF 1933

17. The general authority citation for part 239 continues to read in part as follows:

Authority: 15 U.S.C. 77f, 77g, 77h, 77j, 77s, 77z-2, 77sss, 78c, 78l, 78m, 78n, 78o(d), 78u-5, 78w(a), 78ll(d), 79e, 79f, 79g, 79j, 79l, 79m, 79n, 79q, 79t, 80a-8, 80a-24, 80a-29, 80a-30 and 80a-37, unless otherwise noted.

* * * * *

18. Amend General Instruction E. to Form S-11 (referenced in § 239.18) by removing the words "Items 3, 4, 10, 11 and 18, respectively, of Form 20-F" and adding, in their place, the words "Items 6, 7.A., 8.A.7., and 18 of Form 20-F".

Note: The text of Form S-11 does not and this amendment will not appear in the Code of Federal Regulations.

19. Amend Form F-1 (referenced in § 239.31) by removing in General Instruction III the words "the information that would be required by Item 11" and adding in their place the words "the information which would be required by Item 4"; by removing in General Instruction III the words "called for by Item 9" and adding in their place the words "called for by Items 10.A and 10.B of Form 20-F or Item 12 of Form 20-F, as applicable"; by removing Items 4 through 10 and 13; by redesignating Items 11, 12, 14, 15, 16, and 17 as Items 4, 5, 6, 7, 8, and 9; by revising the caption for newly designated Item 4 to read "Information with Respect to the Registrant and the Offering"; by removing in newly designated Item 4(b) the words "Pursuant to Item 16" and adding, in their place, the words "Pursuant to Item 8"; and, by removing in newly designated Item 8(b) the words "and Item 11(b) of this Form" and adding, in their place, the words "and Item 4(b) of this Form".

20. Amend Form F-1 (referenced in § 239.31) the Instructions As To Summary Prospectuses section by redesignating paragraphs 1.(c), 1.(d), 1.(e), 1.(f), 1.(g) and 1.(h) as paragraphs 1.(c)(i), 1.(c)(ii), 1.(c)(iii), 1.(c)(iv), 1.(c)(v) and 1.(d); by removing in newly designated paragraph 1.(c)(i) the words "As to Item 4, a" and adding, in their place, "A"; by removing in newly designated paragraph 1.(c)(ii) the words "As to Item 7, a" and adding, in their place, "A"; by removing in newly designated paragraph 1.(c)(iii) the words "As to Item 8, a" and adding, in their place, "A"; by removing in newly designated paragraph 1.(c)(iv) the words "As to Item 9, a" and adding, in their place, "A"; by removing in newly designated paragraph 1.(c)(v) the words "As to Item 11, a brief statement of the

general character of the business done and intended to be done, the Selected Financial Data (Item 8 of Form 20-F (§ 249.220f of this chapter))” and adding, in their place, the words “As to Item 4, a brief statement of the general character of the business done and intended to be done, the Selected Financial Data (Item 3.A of Form 20-F (§ 249.220f of this chapter))”; by removing in paragraph 3 the words “that information as to Items 9 and 11 specified in paragraphs (f) and (g) above” and adding, in their place, the words “that information specified in paragraphs 1.(c)(iv) and 1.(c)(v) above”.

Note: The text of Form F-1 does not and this amendment will not appear in the Code of Federal Regulations.

21. Amend Form F-2 (referenced in § 239.32) by removing Items 4 through 10 and 14; by adding new Item 4 to read as follows; by redesignating Items 11, 12, 13, 15, 16, and 17 as Items 5, 6, 7, 8, 9, and 10; by removing in newly designated Item 5(b)(1) the words “pursuant to Item 12” and adding, in their place, the words “pursuant to Item 6”; by removing in newly designated Item 5(b)(2) the words “accordance with Item 12 are not sufficiently current to comply with the requirements of Rule 3-19 of Regulation S-X (§ 210.3-19 of this chapter), financial statements necessary to comply with that rule” and adding, in their place, the words “accordance with Item 6 are not sufficiently current to comply with the requirements of Item 8.A of Form 20-F, financial statements necessary to comply with that Item”; and, by removing in the caption of the Note to newly designated Item 6 the words “Item 12(a)” and adding, in their place, the words “Item 6(a)”.

Note: The text of Form F-2 does not and this amendment will not appear in the Code of Federal Regulations.

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

Form F-2

Registration Statement Under the Securities Act of 1933

* * * * *

Item 4. Information About the Offering

Furnish the information about the offering required by the following items of Form 20-F: Item 2 (Offer Statistics and Expected Timetable), Item 3.B (Capitalization and Indebtedness), Item 3.C (Reasons for the Offer and Use of Proceeds), Item 7.C (Interests of Experts and Counsel), Item 10 (The Offer and Listing) and Item 12 (Description of

Securities Other than Equity Securities). You do not have to repeat in the prospectus any information called for by these items if the same information is contained in a report being incorporated by reference into this registration statement.

* * * * *

22. Amend Form F-2 (referenced in § 239.32) the Instructions As To Summary Prospectuses section by redesignating paragraphs 1.(c), 1.(d), 1.(e), 1.(f), 1.(g) and 1.(h) as paragraphs 1.(c)(i), 1.(c)(ii), 1.(c)(iii), 1.(c)(iv), 1.(c)(v) and 1.(d); by removing in newly designated paragraph 1.(c)(i) the words “As to Item 4, a” and adding, in their place, “A”; by removing in newly designated paragraph 1.(c)(ii) the words “As to Item 7, a” and adding, in their place, “A”; by removing in newly designated paragraph 1.(c)(iii) the words “As to Item 8, a” and adding, in their place, “A”; by removing in newly designated paragraph 1.(c)(iv) the words “As to Item 9, a” and adding, in their place, “A”; and, by removing in newly designated paragraph 1.(c)(v) the words “As to Item 12, a brief statement of the general character of the business done and intended to be done, the Selected Financial Data (Item 8 of Form 20-F (§ 249.220f of this chapter))” and adding, in their place, the words “A brief statement of the general character of the business done and intended to be done, the Selected Financial Data (Item 3.A of Form 20-F (§ 249.220f of this chapter))”.

23. Amend Form F-3 (referenced in § 239.33) by removing Items 4 through 10 and 14; by adding new Item 4 to read as follows; by redesignating Items 11, 12, 13, 15, 16, and 17 as Items 5, 6, 7, 8, 9, and 10; in newly designated Item 5 remove the words “Item 12” and add, in their place, the words “Item 6” in the following places: twice in Item 5(a), once in Item 5(b)(1), and once in Item 5(b)(2); by removing in newly designated Item 5(b)(1) the words “Form 8-K” and adding, in their place, the words “Form 6-K”; by removing in newly designated Item 5(b)(2) the words “Rule 3-19 of Regulation S-X (§ 210.3-19 of this chapter), financial statements necessary to comply with that rule” and adding, in their place, the words “Item 8.A. of Form 20-F, financial statements necessary to comply with that Item”; and by removing in the caption of the Note to newly designated Item 6 the words “Item 12(d)” and adding, in their place, the words “Item 6(d)”.

Note: The text of Form F-3 does not and this amendment will not appear in the Code of Federal Regulations.

SECURITIES AND EXCHANGE COMMISSION

Form F-3

Registration Statement Under the Securities Act of 1933

* * * * *

Item 4. Information About the Offering

Furnish the information about the offering required by the following items of Form 20-F: Item 2 (Offer Statistics and Expected Timetable), Item 3.B (Capitalization and Indebtedness), Item 3.C (Reasons for the Offer and Use of Proceeds), Item 7.C (Interests of Experts and Counsel), Item 10 (The Offer and Listing) and Item 12 (Description of Securities Other than Equity Securities). You do not have to repeat in the prospectus any information called for by these items if the same information is contained in a report being incorporated by reference into this registration statement.

* * * * *

24. Amend Form F-4 (referenced in § 239.34) by removing the words “Item 4 of Form 20-F” and adding, in their place, the words “Item 7.A. of Form 20-F” in the following places:

- the Instruction following Item 18(a)(5)(ii); and
- the Instruction following Item 19(a)(5).

25. Amend Form F-4 (referenced in § 239.34) by removing the words “Item 5 of Form 20-F” and adding, in their place, the words “Item 9.A.4. of Form 20-F” in the following places:

- Instruction 2. to Item 11;
- Item 12(a)(5);
- Item 12(b)(3)(viii);
- Instruction 2. to Item 13;
- Item 14(i); and
- Item 17(b)(2).

26. Amend Item 12(b)(3)(iii) of Form F-4 (referenced in § 239.34) by removing the words “Item 6 of Form 20-F, exchange controls and other limitations on security holders” and adding, in their place, the words “Item 10.D. of Form 20-F, exchange controls”.

27. Amend Item 14(d) of Form F-4 (referenced in § 239.34) by removing the words “Item 6 of Form 20-F, exchange controls and other limitations affecting security holders” and adding, in their place, the words “Item 10.D. of Form 20-F, exchange controls”.

28. Amend Form F-4 (referenced in § 239.34) by removing the words “Item 8 of Form 20-F” and adding, in their place, the words “Item 3.A. of Form 20-F” in the following places:

- Item 3(d), 3(e), 3(f)(1), 3(f)(2), 3(f)(3);
- Item 12(b)(3)(v);

- c. Item 14(f); and
d. Item 17(b)(3).
29. Amend Form F-4 (referenced in § 239.34) by removing the words "Item 9 of Form 20-F, management's discussion and analysis of financial condition and results of operations" and adding, in their place, the words "Item 5 of Form 20-F, operating and financial review" in the following places:
- Item 12(b)(3)(vi)(A);
 - Item 14(g)(1); and
 - Item 17(b)(4)(i).
30. Amend Form F-4 (referenced in § 239.34) by removing the words "Item 9A of Form 20-F" and adding, in their place, the words "Item 11 of Form 20-F" in the following places:
- Item 12(b)(3)(vi)(B);
 - Item 14(g)(2); and
 - Item 17(b)(4)(ii).
31. Amend Item 18(a)(7)(i) of Form F-4 (referenced in § 239.34) by removing the words "Item 10 of Form 20-F, directors and officers of registrant" and adding, in their place, the words "Item 6.A. of Form 20-F, directors and senior management of the registrant".
32. Amend Item 19(a)(7)(i) of Form F-4 (referenced in § 239.34) by removing the words "Item 10 of Form 20-F, directors and officers of the registrant; and adding, in their place, the words "Item 6.A. of Form 20-F, directors and senior management of the registrant".
33. Amend Form F-4 (referenced in § 239.34) by removing the words "Items 11 and 12 of Form 20-F, remuneration and options" and adding, in their place, the words "Items 6.B. and 6.E. of Form 20-F, compensation and share ownership" in the following places:
- Item 18(a)(7)(ii); and
 - Item 19(a)(7)(ii).
34. Amend Form F-4 (referenced in § 239.34) by removing the words "Item 13 of Form 20-F, interest of management in certain transactions" and adding, in their place, the words "Item 7.B. of Form 20-F, related party transactions" in the following places:
- Item 18(a)(7)(iii); and
 - Item 19(a)(7)(iii).
35. Amend Form F-4 (referenced in § 239.34) by removing the words "Rule 3-19 of Regulation S-X (210.3-19 of this chapter)" or "Rule 3-19 of Regulation S-X" or "Rule 3-19 of Regulation S-X" and adding, in their place, the words "Item 8.A. of Form 20-F" in the following places:
- Item 10(b);
 - Instruction 2 to Item 11;
 - Items 12(a)(2), (a)(5), (b)(2)(i), and (b)(3)(viii);
 - Instruction 2 to Item 13;
 - Item 14(i);
 - The Instructions following Item 14(i); and

- g. Items 17(b)(2) and 17(b)(6).
36. Amend Item 3 of Form F-4 (referenced in § 239.34) by removing in Instruction 2, to *Instructions to paragraphs (e) and (f)* the words "Instruction 7 to Item 8 of Form 20-F" and adding, in their place, the words "The Instructions to Item 3.A. of Form 20-F".
37. Amend Item 4(a)(3) of Form F-4 (referenced in § 239.34) by removing the words "Item 202 of Regulation S-K (§ 229.202 of this chapter)" and adding, in their place, the words "Items 10.A and 10.B of Form 20-F or Item 12 of Form 20-F, as applicable".
38. Amend Item 7(a) of Form F-4 (referenced in § 239.34) by removing the words "Item 507 of Regulation S-K (§ 229.507 of this chapter)" and adding, in their place, the words "Item 9.D. of Form 20-F (§ 249.220f of this chapter)".
39. Amend Item 8 of Form F-4 (referenced in § 239.34) by removing the words "Item 509 of Regulation S-K (§ 229.509 of this chapter)" and adding, in their place, the words "Item 7.C. of Form 20-F (§ 249.220f of this chapter)".
40. Amend Item 12 of Form F-4 (referenced in § 239.34) by removing in Item 12(a)(2) the words "Item 9 of Form 20-F" and adding, in their place, the words "Item 5 of Form 20-F"; by removing in Item 12(b)(1) the words "Items 1 and 2 of Form 20-F" and adding, in their place, the words "Item 4 of Form 20-F"; by removing in Item 12(b)(3)(i) the words "Items 1(a)(3) and (a)(4) of Form 20-F" and adding, in their place, the words "Items 4.B., 4.B.2., and 4.B.5. of Form 20-F"; by removing in Item 12(b)(3)(ii) the words "Item 2 of Form 20-F" and adding, in their place, the words "Item 4.D. of Form 20-F"; by removing in Item 12(b)(3)(iv) the words "Item 7 of Form 20-F" and adding, in their place, the words "Item 10.E. of Form 20-F"; and by removing in Item 12(b)(3)(v) the words "Item 8 of Form 20-F" and adding, in their place, the words "Item 3.A. of Form 20-F".
41. Amend Item 14 of Form F-4 (referenced in § 239.34) by removing in Item 14(a) the words "Item 1 of Form 20-F, description of business" and adding, in their place, the words "Items 4.A., 4.B., and 4.C of Form 20-F, information on the company"; by removing in Item 14(b) the words "Item 2 of Form 20-F, description of property" and adding, in their place, the words "Item 4.D. of Form 20-F, property, plant and equipment"; by removing in Item 14(c) words "Item 3 of Form 20-F" and adding, in their place, the words "Item 8.A.7. of Form 20-F"; by removing in Item 14(e) words "Item 7 of Form 20-F" and adding, in their

place, the words "Item 10.E. of Form 20-F".

Note: The text of Form F-4 does not and this amendment will not appear in the Code of Federal Regulations.

42. Revise Item 1 of Form F-6 (referenced in § 239.36) to read as follows:

Note: The text of Form F-6 does not and this amendment will not appear in the Code of Federal Regulations.

Securities and Exchange Commission

Form F-6

Registration Statement Under the Securities Act of 1933 For Depository Shares Evidenced by American Depository Receipts

* * * * *

Item 1. Description of Securities To Be Registered

Furnish the information required by Item 12.E. of Form 20-F (§ 249.220f of this chapter).

* * * * *

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

43. The general authority citation for part 240 continues to read in part as follows:

Authority: 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77z-2, 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78d, 78f, 78i, 78j, 78j-1, 78k, 78k-1, 78l, 78m, 78n, 78o, 78p, 78q, 78s, 78u-5, 78w, 78x, 78ll(d), 78mm, 79q, 79t, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4 and 80b-11, unless otherwise noted.

* * * * *

44. By amending § 240.3b-4 by revising the section heading and paragraph (c) to read as follows:

§ 240.3b-4 Definition of "foreign government," "foreign issuer" and "foreign private issuer".

* * * * *

(c) The term *foreign private issuer* means any foreign issuer other than a foreign government except an issuer meeting the following conditions:

(1) More than 50 percent of the issuer's outstanding voting securities are directly or indirectly held of record by residents of the United States; and

(2) Any of the following:

(i) The majority of the executive officers or directors are United States citizens or residents;

(ii) More than 50 percent of the assets of the issuer are located in the United States; or

(iii) The business of the issuer is administered principally in the United States.

Instruction to paragraph (c)(1): To determine the percentage of outstanding voting securities held by U.S. residents:

A. Use the method of calculating record ownership in Rule 12g3-2(a) under the Exchange Act (§ 240.12g3-2(a));

B. Unless information provided by the depository demonstrates otherwise, count holders of American Depositary Receipts as U.S. holders of the underlying securities; and

C. Count shares of voting securities beneficially owned by residents of the United States as reported on reports of beneficial ownership provided to you or filed publicly and based on information otherwise provided to you.

45. Amend § 240.3b-6 by removing in paragraph (b)(2)(i) the words "or Item 9 of Form 20-F (§ 249.220f of this chapter) "Management's discussion and analysis of financial condition and results of operations," and adding, in their place, the words "'Management's Discussion and Analysis of Financial Condition and Results of Operations" or Item 5 of Form 20-F, "Operating and Financial Review and Prospects,""; by removing in paragraph (c)(3) the words "Item 9 of Form 20-F" and adding, in their place, the words "Item 5 of Form 20-F".

46. Amend § 240.13a-10 by removing in paragraph (g)(4) the words "responding to Items 3, 9, 15, 16, and 17 or 18" and adding, in their place, the words "responding to Items 5, 8.A.7., 13, 14, and 17 or 18".

47. Amend § 240.15d-10 by removing in paragraph (g)(4) the words "responding to Items, 3, 9, 15, 16, and 17 or 18" and adding, in their place, the words "responding to Items 5, 8.A.7., 13, 14, and 17 or 18".

PART 249—FORMS, SECURITIES EXCHANGE ACT OF 1934

48. The authority citation for part 249 continues to read, in part, as follows:

Authority: 15 U.S.C. 78a, *et seq.*, unless otherwise noted;

* * * * *

49. Amend Form 20-F (referenced in § 249.220f) by revising the General Instructions; by removing Item 11; by revising Items 1 through 9, 10, 12 through 16, 18, 19 and Instructions to Exhibits to read as follows; by redesignating Item 9A as Item 11; by removing in newly designated Item 11 each time they appear the words "Item 9A" and adding, in their place, the words "Item 11"; and, by removing in the Appendix section following the Instructions As To Exhibits section each time they appear the words "Item 2(b)" and adding, in their place, the words "Item 4.D)".

Note: The text of Form 20-F does not and this amendment will not appear in the Code of Federal Regulations.

United States Securities and Exchange Commission

Washington, D.C. 20549

Form 20-F

* * * * *

General Instructions

A. Who May Use Form 20-F and When it Must Be Filed.

(a) Any foreign private issuer may use this form as a registration statement under Section 12 of the Securities Exchange Act of 1934 (referred to as the Exchange Act) or as an annual or transition report filed under Section 13(a) or 15(d) of the Exchange Act. A transition report is filed when an issuer changes its fiscal year end. The term "foreign private issuer" is defined in Rule 3b-4 under the Exchange Act.

(b) A foreign private issuer must file its annual report on this Form within six months after the end of the fiscal year covered by the report.

(c) A foreign private issuer filing a transition report on this Form must file its report in accordance with the requirements set forth in Rule 13a-10 or Rule 15d-10 under the Exchange Act that apply when an issuer changes its fiscal year end.

B. General Rules and Regulations That Apply to this Form

(a) The General Rules and Regulations under the Securities Act of 1933 (referred to as the Securities Act) contain general requirements that apply to registration on any form. Read these general requirements carefully and follow them when preparing and filing registration statements and reports on this Form. In addition to the definitions in the General Rules and Regulations, General Instruction F defines certain terms for purposes of the items of this Form.

(b) Pay particular attention to Regulation 12B under the Exchange Act, which contains general requirements about matters such as the kind and size of paper to be used, the legibility of the registration statement or report, the information to give in response to a requirement to state the title of securities, the language to be used and the filing of the registration statement or report. In addition to the definitions in Rule 12b-2, General Instruction F defines certain terms for purposes of the items of this Form.

C. How to Prepare Registration Statements and Reports on this Form

(a) Do not use this Form as a blank form to be filled in; use it only as a guide in the preparation of the

registration statement or annual report. General Instruction E states which items must be responded to in a registration statement and which items must be responded to in an annual report. The registration statement must contain the numbers and captions of all items. You may omit the text following each caption in this Form, which describes what must be disclosed under each item. Omit the text of all instructions in this Form. If an item is inapplicable or the answer to the item is in the negative, respond to the item by making a statement to that effect.

(b) Unless an item directs you to provide information as of a specific date or for a specific period, give the information in a registration statement as of a date reasonably close to the date of filing the registration statement and give the information in an annual report as of the latest practicable date.

(c) Note Rule 12b-20, which states: "In addition to the information expressly required to be included in a statement or report, there shall be added such further material information, if any, as may be necessary to make the required statements, in light of the circumstances under which they are made, not misleading."

(d) If the same information required by this Form also is required by the body of accounting principles used in preparing the financial statements, you may respond to an item of this Form by providing a cross-reference to the location of the information in the financial statements, in lieu of repeating the information.

(e) Note Item 10 of Regulation S-K which explains the Commission policy on projections of future economic performance and the Commission policy on securities ratings.

(f) If you are providing the information required by this Form in connection with a registration statement under the Securities Act, note that Rules 421(b) and 421(c) require you to follow plain English drafting principles. You should read Securities Act Release No. 7497 (January 28, 1998) for information on plain English principles. Also, we refer you to "A Plain English Handbook—How to create clear SEC disclosure documents," issued by the Office of Investor Education and Assistance.

D. How to File Registration Statements and Reports on this Form

File with the Commission (i) three complete copies of the registration statement or report, including financial statements, exhibits and all other papers and documents filed as part of the registration statement or report, and (ii)

five additional copies of the registration statement or report, which need not contain exhibits. File at least one complete copy of the registration statement or report, including financial statements, exhibits and all other papers and documents filed as part of the registration statement or report, with each exchange on which any class of securities is or will be registered. Manually sign at least one complete copy of the registration statement or report filed with the Commission and one copy filed with each exchange. Type or print the signatures on copies that are not manually signed. See Rule 12b-11(d) for instructions about manual signatures and the Instructions as to Exhibits of this Form for instructions about signatures pursuant to powers of attorney.

Registration statements and reports are filed with the Commission by sending or delivering them to our File Desk between the hours of 9:00 a.m. and 5:30 p.m., Washington, D.C. time. The File Desk is closed on weekends and federal holidays. If you file a registration statement or report by mail or by any means other than hand delivery, the address is U.S. Securities and Exchange Commission, Attention: File Desk, 450 Fifth Street, N.W., Washington, D.C. 20549. We consider documents to be filed on the date our File Desk receives them. We do not require foreign private issuers to file registration statements and reports under our Electronic Data Gathering and Retrieval System (EDGAR). We encourage you to use EDGAR, if possible, because documents filed through EDGAR are easily accessible to the public through the Commission's Internet Web site and through other electronic means. If you have technical questions about EDGAR or want to request an access code, call the EDGAR Filer Support Office at (202) 942-8900. If you have questions about the EDGAR rules, call the Office of EDGAR Policy at (202) 942-2940.

E. Which Items To Respond to in Registration Statements and Annual Reports

(a) *Exchange Act Registration Statements.* A registration statement filed under the Exchange Act on this Form must include the information specified in Part I and Part III. Read the instructions to each item carefully before responding to the item. In some cases, the instructions may permit you to omit some of the information specified in certain items in Part I.

(b) *Annual Reports.* An annual report on this Form must include the information specified in Parts I, II and III. Read the instructions to each item

carefully before responding to the item. In some cases, the instructions may permit you to omit some of the information specified in certain items in Part I. You may omit certain information if it was previously reported and has not changed. If that is the case, you do not have to file copies of the previous report with the report being filed on this Form.

(c) *Financial Statements.* A registration statement or annual report filed on this Form must contain the financial statements and related information specified in Item 17 of this Form. We encourage you to provide the financial statements and related information specified in Item 18 of this Form in lieu of Item 17, but the Item 18 statements and information are not required. In certain circumstances, Forms F-2 or F-3 for the registration of securities under the Securities Act require that you provide the financial statements and related information specified in Item 18 in your annual report on Form 20-F. Consult those Securities Act forms for the specific requirements and consider the potential advantages of complying with Item 18 instead of Item 17 of this Form. Note that Items 17 and 18 may require you to file financial statements of other entities in certain circumstances. These circumstances are described in Regulation S-X.

The financial statements must be audited in accordance with U.S. generally accepted auditing standards, and the auditor must comply with the U.S. standards for auditor independence. If you have any questions about these requirements, contact the Office of Chief Accountant in the Division of Corporation Finance at (202) 942-2960.

(d) *Securities Act Registration Statements.* The registration statement forms under the Securities Act direct you to provide information required by specific items of Form 20-F. Some items of Form 20-F only apply to Securities Act registration statements, and you do not have to respond to those items if you are using Form 20-F to file an Exchange Act registration statement or an annual report. The instructions to the items of Form 20-F identify which information is required only in Securities Act registration statements.

F. Definitions

The following definitions apply to various terms used in this Form, unless the context indicates otherwise.

Affiliate—An "affiliate" of a specified person or entity refers to one who, directly or indirectly, either controls, is controlled by or is under common

control with, the specified person or entity.

Beneficial owner—The term "beneficial owner" of securities refers to any person who, even if not the record owner of the securities, has or shares the underlying benefits of ownership. These benefits include the power to direct the voting or the disposition of the securities or to receive the economic benefit of ownership of the securities. A person also is considered to be the "beneficial owner" of securities that the person has the right to acquire within 60 days by option or other agreement. Beneficial owners include persons who hold their securities through one or more trustees, brokers, agents, legal representatives or other intermediaries, or through companies in which they have a "controlling interest," which means the direct or indirect power to direct the management and policies of the entity.

Company—References to the "company" mean the company whose securities are being offered or listed, and refer to the company on a consolidated basis unless the context indicates otherwise.

Directors and senior management—This term includes (a) the company's directors, (b) members of its administrative, supervisory or management bodies, (c) partners with unlimited liability, in the case of a limited partnership with share capital, (d) nominees to serve in any of the aforementioned positions, and (e) founders, if the company has been established for fewer than five years. The persons covered by the term "administrative, supervisory or management bodies" vary in different countries and, for purposes of complying with the disclosure standards, will be determined by the host country. In the United States, the persons referred to by this term correspond to a U.S. company's "executive officers" as defined in Rule 405 under the Securities Act of 1933, as amended and Rule 3b-7 under the Securities Exchange Act of 1934, as amended.

Document—This term covers prospectuses and offering documents used in connection with a public offering of securities and registration statements or prospectuses used in connection with the initial listing of securities.

Instruction—References to the "document" mean whatever type of document is being prepared using these disclosure requirements, including, as applicable, a prospectus, an Exchange Act registration statement, and an annual report.

Equity securities—The term “equity securities” includes common or ordinary shares, preferred or preference shares, options or warrants to subscribe for equity securities, and any securities, other than debt securities, which are convertible into or exercisable or redeemable for equity securities of the same company or another company. If the equity securities available upon conversion, exercise or redemption are those of another company, the disclosure standards also apply to the other company.

Group—A “group” is a parent and all its subsidiaries. References to a company’s group mean the group of which it is a member.

Home country—This term refers to the jurisdiction in which the company is legally organized, incorporated or established and, if different, the jurisdiction where it has its principal listing.

Host country—This term refers to jurisdictions, other than the home country, in which the company is seeking to offer, register or list its securities.

Instruction: Note that, for purposes of this Form, the term “host country” means the United States and its territories.

Pre-emptive issue—The term “pre-emptive issue” and references to “pre-emptive purchase rights” refer to offerings made to the company’s existing shareholders in order to permit them to maintain their pro rata ownership in the company.

Part I

Item 1. Identity of Directors, Senior Management and Advisers

The purpose of this standard is to identify the company representatives and other individuals involved in the company’s listing or registration.

A. Directors and senior management. Provide the names, business addresses and functions of the company’s directors and senior management.

B. Advisers. Provide the names and addresses of the company’s principal bankers and legal advisers to the extent the company has a continuing relationship with such entities, the sponsor for listing (where required by the host country regulations), and the legal advisers to the issue.

C. Auditors. Provide the names and addresses of the company’s auditors for the preceding three years (together with their membership in a professional body).

Instructions to Item 1: If you are filing Form 20-F as an annual report under the Exchange Act, you do not have to

provide the information called for by Item 1. You must provide this information, to the extent applicable, if you are filing a registration statement under either the Securities Act or the Exchange Act.

Instructions to Item 1.B: Regulated markets in the United States do not require sponsors for listing. If a sponsor is required for listing in another jurisdiction, disclose the identity of the sponsor.

Item 2. Offer Statistics and Expected Timetable

The purpose of this standard is to provide key information regarding the conduct of any offering and the identification of important dates relating to that offering.

A. Offer statistics. For each method of offering, e.g., rights offering, general offering, etc., state the total expected amount of the issue, including the expected issue price or the method of determining the price and the number of securities expected to be issued.

B. Method and expected timetable. For all offerings, and separately for each group of targeted potential investors, the document shall state the following information to the extent applicable to the offering procedure:

1. The time period during which the offer will be open, and where and to whom purchase or subscription applications shall be addressed. Describe whether the purchase period may be extended or shortened, and the manner and duration of possible extensions or possible early closure or shortening of this period. Describe the manner in which the latter shall be made public. If the exact dates are not known when the document is first filed or distributed to the public, describe arrangements for announcing the final or definitive date or period.

2. Method and time limits for paying up securities; where payment is partial, the manner and dates on which amounts due are to be paid.

3. Method and time limits for delivery of equity securities (including provisional certificates, if applicable) to subscribers or purchasers.

4. In the case of pre-emptive purchase rights, the procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

5. A full description of the manner in which results of the distribution of securities are to be made public, and when appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

Instructions to Item 2: If you are filing Form 20-F as a registration statement or annual report under the Exchange Act, you do not have to provide the information called for by Item 2. You must provide this information if you are filing a registration statement under the Securities Act.

Item 3. Key Information

The purpose of this standard is to summarize key information about the company’s financial condition, capitalization and risk factors. If the financial statements included in the document are restated to reflect material changes in the company’s group structure or accounting policies, the selected financial data also must be restated. See Item 8.

A. Selected financial data.

1. The company shall provide selected historical financial data regarding the company, which shall be presented for the five most recent financial years (or such shorter period that the company has been in operation), in the same currency as the financial statements. Selected financial data for either or both of the earliest two years of the five-year period may be omitted, however, if the company represents to the host country regulator that such information cannot be provided, or cannot be provided on a restated basis, without unreasonable effort or expense. If interim period financial statements are included, the selected financial data should be updated for that interim period, which may be unaudited, provided that fact is stated. If selected financial data for interim periods is provided, comparative data from the same period in the prior financial year shall also be provided, except that the requirement for comparative balance sheet data is satisfied by presenting the year end balance sheet information.

2. The selected financial data presented shall include items generally corresponding to the following, except that the specific line items presented should be expressed in the same manner as the corresponding line items in the company’s financial statements. Such data shall include, at a minimum, net sales or operating revenues; income (loss) from operations; income (loss) from continuing operations; net income (loss); net income (loss) from operations per share; income (loss) from continuing operations per share; total assets; net assets; capital stock (excluding long term debt and redeemable preferred stock); number of shares as adjusted to reflect changes in capital; dividends declared per share in both the currency of the financial statements and the host

country currency, including the formula used for any adjustments to dividends declared; and diluted net income per share. Per share amounts must be determined in accordance with the body of accounting principles used in preparing the financial statements.

3. Where the financial statements provided in response to Item 8 are prepared in a currency other than the currency of the host country, disclosure of the exchange rate between the financial reporting currency and the currency of the host country should be provided, using the exchange rate designated by the host country for this purpose, if any:

- (a) at the latest practicable date;
- (b) the high and low exchange rates for each month during the previous six months; and
- (c) for the five most recent financial years and any subsequent interim period for which financial statements are presented, the average rates for each period, calculated by using the average of the exchange rates on the last day of each month during the period.

B. Capitalization and indebtedness. A statement of capitalization and indebtedness (distinguishing between guaranteed and unguaranteed, and secured and unsecured, indebtedness) as of a date no earlier than 60 days prior to the date of the document shall be provided showing the company's capitalization on an actual basis and, if applicable, as adjusted to reflect the sale of new securities being issued and the intended application of the net proceeds therefrom. Indebtedness also includes indirect and contingent indebtedness.

C. Reasons for the offer and use of proceeds.

1. The document shall disclose the estimated net amount of the proceeds broken down into each principal intended use thereof. If the anticipated proceeds will not be sufficient to fund all the proposed purposes, the order of priority of such purposes should be given, as well as the amount and sources of other funds needed. If the company has no specific plans for the proceeds, it should discuss the principal reasons for the offering.

2. If the proceeds are being used directly or indirectly to acquire assets, other than in the ordinary course of business, briefly describe the assets and their cost. If the assets will be acquired from affiliates of the company or their associates, disclose the persons from whom they will be acquired and how the cost to the company will be determined.

3. If the proceeds may or will be used to finance acquisitions of other businesses, give a brief description of

such businesses and information on the status of the acquisitions.

4. If any material part of the proceeds is to be used to discharge, reduce or retire indebtedness, describe the interest rate and maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds of such indebtedness were put.

D. Risk factors. The document shall prominently disclose risk factors that are specific to the company or its industry and make an offering speculative or one of high risk, in a section headed "Risk Factors." Companies are encouraged, but not required, to list the risk factors in the order of their priority to the company. Among other things, such factors may include, for example: the nature of the business in which it is engaged or proposes to engage; factors relating to the countries in which it operates; the absence of profitable operations in recent periods; the financial position of the company; the possible absence of a liquid trading market for the company's securities; reliance on the expertise of management; potential dilution; unusual competitive conditions; pending expiration of material patents, trademarks or contracts; or dependence on a limited number of customers or suppliers. The Risk Factors section is intended to be a summary of more detailed discussion contained elsewhere in the document.

Instructions to Item 3: If you are filing Form 20-F as a registration statement or annual report under the Exchange Act, you do not have to provide the information called for by Item 3.B or 3.C. You must provide this information if you are filing a registration statement under the Securities Act.

Throughout Form 20-F, the terms "financial year" and "fiscal year" have the same meaning. The term "fiscal year" is defined in Rule 405 under the Securities Act and Rule 12b-2 under the Exchange Act.

Instructions to Item 3.A: You may present the selected financial data on the basis of the accounting principles used in your primary financial statements. If you do this, however, you also must include in this summary any reconciliations of the data to U.S. generally accepted accounting principles and Regulation S-X, pursuant to Item 17 or 18 of this Form. In that case, you only have to provide selected financial data on a basis reconciled to U.S. generally accepted accounting principles for (i) those periods for which you were required to reconcile the primary annual financial statements in a filing under the

Securities Act or the Exchange Act, and (ii) any interim periods.

If you are unable to provide selected financial data for the earliest two years of the five-year period, submit the required representation to us before or at the time you file the document. Disclose in the document that data for the earliest two years have been omitted and explain the reasons for the omission.

Instructions to Item 3.B: If you are not selling the new securities being issued in a firm commitment underwritten offering or an "all or none" best efforts offering, reflect the capitalization "as adjusted" for the net proceeds of the offering only in the following ways:

- 1. In a best efforts "minimum/maximum" offering, reflect both the minimum and maximum proceeds; and
- 2. In a rights offering or an offering of securities upon the exercise of outstanding warrants, reflect the proceeds only to the extent exercise is likely in view of the current market price.

Instructions to Item 3.D: If you are providing this information in an annual report, the information may be limited to the most significant risk factors regarding your business, operations, industry or financial position that may have a negative effect on your future financial performance.

Item 4. Information on the Company

The purpose of this standard is to provide information about the company's business operations, the products it makes or the services it provides, and the factors that affect the business. The standard also is intended to provide information regarding the adequacy and suitability of the company's properties, plants and equipment, as well as its plans for future increases or decreases in such capacity.

A. History and development of the company. The following information shall be provided:

- 1. The legal and commercial name of the company.
- 2. The date of incorporation and the length of life of the company, except where indefinite.
- 3. The domicile and legal form of the company, the legislation under which the company operates, its country of incorporation and the address and telephone number of its registered office (or principal place of business if different from its registered office). Provide the name and address of the company's agent in the host country, if any.
- 4. The important events in the development of the company's business,

e.g. information concerning the nature and results of any material reclassification, merger or consolidation of the company or any of its significant subsidiaries; acquisitions or dispositions of material assets other than in the ordinary course of business; any material changes in the mode of conducting the business; material changes in the types of products produced or services rendered; name changes; or the nature and results of any bankruptcy, receivership or similar proceedings with respect to the company or significant subsidiaries.

5. A description, including the amount invested, of the company's principal capital expenditures and divestitures (including interests in other companies), since the beginning of the company's last three financial years to the date of the offering or listing document.

6. Information concerning the principal capital expenditures and divestitures currently in progress, including the distribution of these investments geographically (home and abroad) and the method of financing (internal or external).

7. An indication of any public takeover offers by third parties in respect of the company's shares or by the company in respect of other companies' shares which have occurred during the last and current financial year. The price or exchange terms attaching to such offers and the outcome thereof are to be stated.

B. Business overview. The information required by this item may be presented on the same basis as that used to determine the company's business segments under the body of accounting principles used in preparing the financial statements. The following information shall be provided:

1. A description of the nature of the company's operations and its principal activities, stating the main categories of products sold and/or services performed for each of the last three financial years. Indicate any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of development.

2. A description of the principal markets in which the company competes, including a breakdown of total revenues by category of activity and geographic market for each of the last three financial years.

3. A description of the seasonality of the company's main business.

4. A description of the sources and availability of raw materials, including

a description of whether prices of principal raw materials are volatile.

5. A description of the marketing channels used by the company, including an explanation of any special sales methods, such as installment sales.

6. Summary information regarding the extent to which the company is dependent, if at all, on patents or licenses, industrial, commercial or financial contracts (including contracts with customers or suppliers) or new manufacturing processes, where such factors are material to the company's business or profitability.

7. The basis for any statements made by the company regarding its competitive position shall be disclosed.

8. A description of the material effects of government regulations on the company's business, identifying the regulatory body.

C. Organizational structure. If the company is part of a group, include a brief description of the group and the company's position within the group. Provide a listing of the company's significant subsidiaries, including name, country of incorporation or residence, proportion of ownership interest and, if different, proportion of voting power held.

D. Property, plants and equipment. The company shall provide information regarding any material tangible fixed assets, including leased properties, and any major encumbrances thereon, including a description of the size and uses of the property; productive capacity and extent of utilization of the company's facilities; how the assets are held; the products produced; and the location. Also describe any environmental issues that may affect the company's utilization of the assets. With regard to any material plans to construct, expand or improve facilities, describe the nature of and reason for the plan, an estimate of the amount of expenditures including the amount of expenditures already paid, a description of the method of financing the activity, the estimated dates of start and completion of the activity, and the increase of production capacity anticipated after completion.

Instructions to Item 4.A.5: If you are providing the information called for by Item 4.A.5 in an annual report, you only have to provide the required information for the period from the beginning of your last full financial year up to the latest practicable date.

Instructions to Item 4.B: If you: (a) are filing a registration statement on Form F-1 under the Securities Act or on Form 20-F under the Exchange Act,

(b) were not required to file reports under Section 13(a) or 15(d) of the

Exchange Act immediately prior to filing that registration statement, and

(c) have not received (or your predecessor has not received) revenue from operations during each of the three fiscal years immediately prior to filing the registration statement, you must provide information about your plan of operations. Provide information comparable to the information required by Item 101(a)(2) of Regulation S-K.

Instructions to Item 4.D:

1. In the case of an extractive enterprise:

(a) Provide material information about production, reserves, locations, developments and the nature of your interest. If individual properties are of major significance to you, provide more detailed information about those properties and use maps to disclose information about their location.

(b) If you are giving reserve estimates in the registration statement or report,

(i) consult the staff of the Office of International Corporate Finance of the Division of Corporation Finance. That office may request that you provide supplementally a copy of the full report of the engineer or other expert who estimated the reserves. See Rule 418 of Regulation C (§ 230.418 of this chapter) and Rule 12b-4 of Regulation 12B (§ 240.12b-4 of this chapter) for information about submitting supplemental information to the Commission and requesting its return.

(ii) in documents you file publicly with the Commission, do not disclose estimates of oil or gas reserves unless the reserves are proved (or in the case of other extractive industries, proved or probable) and do not give estimated values of those reserves, unless foreign law requires you to disclose the information. If these types of estimates have already been provided to any person that is offering to acquire you, however, you may include the estimates in documents relating to the acquisition.

(c) If oil and gas operations are material to your or your subsidiaries' business operations or financial position, provide the information specified in Appendix A to Item 4.D, located at the end of this Form.

Item 5. Operating and Financial Review and Prospects

The purpose of this standard is to provide management's explanation of factors that have affected the company's financial condition and results of operations for the historical periods covered by the financial statements, and management's assessment of factors and trends which are anticipated to have a material effect on the company's

financial condition and results of operations in future periods.

Discuss the company's financial condition and results of operations for each year and interim period for which financial statements are required, including the causes of material changes from year to year in financial statement line items, to the extent necessary for an understanding of the company's business as a whole. Information provided also shall relate to all separate segments of the company. Provide the information specified below as well as such other information that is necessary for an investor's understanding of the company's financial condition, changes in financial condition and results of operations.

A. Operating results. Provide information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the company's income from operations, indicating the extent to which income was so affected. Describe any other significant component of revenue or expenses necessary to understand the company's results of operations.

1. To the extent that the financial statements disclose material changes in net sales or revenues, provide a narrative discussion of the extent to which such changes are attributable to changes in prices or to changes in the volume or amount of products or services being sold or to the introduction of new products or services.

2. Describe the impact of inflation, if material. If the currency in which financial statements are presented is of a country that has experienced hyperinflation, the existence of such inflation, a five year history of the annual rate of inflation and a discussion of the impact of hyperinflation on the company's business shall be disclosed.

3. Provide information regarding the impact of foreign currency fluctuations on the company, if material, and the extent to which foreign currency net investments are hedged by currency borrowings and other hedging instruments.

4. Provide information regarding any governmental economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the company's operations or investments by host country shareholders.

B. Liquidity and capital resources. The following information shall be provided:

1. Information regarding the company's liquidity (both short and long term), including:

(a) A description of the internal and external sources of liquidity and a brief discussion of any material unused sources of liquidity. Include a statement by the company that, in its opinion, the working capital is sufficient for the company's present requirements, or, if not, how it proposes to provide the additional working capital needed.

(b) An evaluation of the sources and amounts of the company's cash flows, including the nature and extent of any legal or economic restrictions on the ability of subsidiaries to transfer funds to the company in the form of cash dividends, loans or advances and the impact such restrictions have had or are expected to have on the ability of the company to meet its cash obligations.

(c) Information on the level of borrowings at the end of the period under review, the seasonality of borrowing requirements and the maturity profile of borrowings and committed borrowing facilities, with a description of any restrictions on their use.

2. Information regarding the type of financial instruments used, the maturity profile of debt, currency and interest rate structure. The discussion also should include funding and treasury policies and objectives in terms of the manner in which treasury activities are controlled, the currencies in which cash and cash equivalents are held, the extent to which borrowings are at fixed rates, and the use of financial instruments for hedging purposes.

3. Information regarding the company's material commitments for capital expenditures as of the end of the latest financial year and any subsequent interim period and an indication of the general purpose of such commitments and the anticipated sources of funds needed to fulfill such commitments.

C. Research and development, patents and licenses, etc. Provide a description of the company's research and development policies for the last three years, where it is significant, including the amount spent during each of the last three financial years on company-sponsored research and development activities.

D. Trend information. The company should identify the most significant recent trends in production, sales and inventory, the state of the order book and costs and selling prices since the latest financial year. The company also should discuss, for at least the current financial year, any known trends, uncertainties, demands, commitments or events that are reasonably likely to

have a material effect on the company's net sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Instructions to Item 5:

1. Refer to the Commission's interpretive release (No. 33-6835) dated May 18, 1989 for guidance in preparing this discussion and analysis by management of the company's financial condition and results of operations.

2. We encourage you to supply forward-looking information, but that type of information is not required. Forward-looking information is covered expressly by the safe harbor provisions of Section 27A of the Securities Act and Section 27A of the Exchange Act. Forward-looking information is different than presently known data which will have an impact on future operating results, such as known future increases in costs of labor or materials. You are required to disclose this latter type of data if it is material.

Item 6. Directors, Senior Management and Employees

The purpose of this standard is to provide information concerning the company's directors and managers that will allow investors to assess such individuals' experience, qualifications and levels of compensation, as well as their relationship with the company. Information concerning the company's employees is also required.

A. Directors and senior management. The following information shall be disclosed with respect to the company's directors and senior management, and any employees such as scientists or designers upon whose work the company is dependent:

1. Name, business experience, functions and areas of experience in the company.

2. Principal business activities performed outside the issuing company (including, in the case of directors, other principal directorships).

3. Date of birth or age (if required to be reported in the home country or otherwise publicly disclosed by the company).

4. The nature of any family relationship between any of the persons named above.

5. Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to above was selected as a director or member of senior management.

B. Compensation. Provide the following information for the last full financial year for the company's directors and members of its administrative, supervisory or management bodies:

1. The amount of compensation paid, and benefits in kind granted, to such persons by the company and its subsidiaries for services in all capacities to the company and its subsidiaries by any person. Disclosure of compensation is required on an individual basis unless individual disclosure is not required in the company's home country and is not otherwise publicly disclosed by the company. The standard also covers contingent or deferred compensation accrued for the year, even if the compensation is payable at a later date. If any portion of the compensation was paid (a) pursuant to a bonus or profit-sharing plan, provide a brief description of the plan and the basis upon which such persons participate in the plan; or (b) in the form of stock options, provide the title and amount of securities covered by the options, the exercise price, the purchase price (if any), and the expiration date of the options.

2. The total amounts set aside or accrued by the company or its subsidiaries to provide pension, retirement or similar benefits.

C. Board practices. The following information for the company's last completed financial year shall be given with respect to, unless otherwise specified, the company's directors, and members of its administrative, supervisory or management bodies.

1. Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.

2. Details of directors' service contracts with the company or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate negative statement.

3. Details relating to the company's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.

D. Employees. Provide either the number of employees at the end of the period or the average for the period for each of the past three financial years (and changes in such numbers, if material) and, if possible, a breakdown of persons employed by main category of activity and geographic location. Also disclose any significant change in the number of employees, and information regarding the relationship between management and labor unions. If the company employs a significant number

of temporary employees, include disclosure of the number of temporary employees on an average during the most recent financial year.

E. Share ownership.

1. With respect to the persons listed in subsection 6.B. above, provide information as to their share ownership in the company as of the most recent practicable date (including disclosure on an individual basis of the number of shares and percent of shares outstanding of that class, and whether they have different voting rights) held by the persons listed and options granted to them on the company's shares. Information regarding options shall include: the title and amount of securities called for by the options; the exercise price; the purchase price, if any; and the expiration date of the options.

2. Describe any arrangements for involving the employees in the capital of the company, including any arrangement that involves the issue or grant of options or shares or securities of the company.

Instructions to Item 6.C: The term "plan" is used very broadly and includes any type of arrangement for compensation, even if the terms of the plan are not contained in a formal document.

Item 7. Major Shareholders and Related Party Transactions

The purpose of this standard is to provide information regarding the major shareholders and others that control or may control the company. The standard also provides information regarding transactions the company has entered into with persons affiliated with the company and whether the terms of such transactions are fair to the company. These standards may require disclosure of related party transactions not required to be disclosed under the body of accounting principles used in preparing the financial statements. This standard is not intended to address the thresholds at which shareholders are required, on a continuing basis, to disclose their beneficial ownership of securities.

A. Major shareholders. To the extent that the following information is known to the company or can be ascertained from public filings, it should be provided as of the most recent practicable date, with references to the number of shares held in the company including shares beneficially owned.

1. The following information shall be provided regarding the company's major shareholders, which means shareholders that are the beneficial owners of 5% or more of each class of

the company's voting securities (unless the company is required to disclose a lesser percentage in its home country, in which case that lesser percentage applies):

(a) Provide the names of the major shareholders, and the number of shares and the percentage of outstanding shares of each class owned by each of them as of the most recent practicable date, or an appropriate negative statement if there are no major shareholders.

(b) Disclose any significant change in the percentage ownership held by any major shareholders during the past three years.

(c) Indicate whether the company's major shareholders have different voting rights, or an appropriate negative statement.

2. Information shall be provided as to the portion of each class of securities held in the host country and the number of record holders in the host country.

3. To the extent known to the company, state whether the company is directly or indirectly owned or controlled by another corporation(s), by any foreign government or by any other natural or legal person(s) severally or jointly, and, if so, give the name(s) of such controlling corporation(s), government or other person(s), and briefly describe the nature of such control, including the amount and proportion of capital held giving a right to vote.

4. Describe any arrangements, known to the company, the operation of which may at a subsequent date result in a change in control of the company.

B. Related party transactions. Provide the information required below for the period since the beginning of the company's preceding three financial years up to the date of the document, with respect to transactions or loans between the company and (a) enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the company; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the company, and close members of any such individual's family; (d) key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the company, including directors and senior management of companies and close members of such individuals' families; and (e) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any

person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the company and enterprises that have a member of key management in common with the company. Close members of an individual's family are those that may be expected to influence, or be influenced by, that person in their dealings with the company. An associate is an unconsolidated enterprise in which the company has a significant influence or which has significant influence over the company. Significant influence over an enterprise is the power to participate in the financial and operating policy decisions of the enterprise but is less than control over those policies. Shareholders beneficially owning a 10% interest in the voting power of the company are presumed to have a significant influence on the company.

1. The nature and extent of any transactions or presently proposed transactions which are material to the company or the related party, or any transactions that are unusual in their nature or conditions, involving goods, services, or tangible or intangible assets, to which the company or any of its parent or subsidiaries was a party.

2. The amount of outstanding loans (including guarantees of any kind) made by the company or any of its parent or subsidiaries to or for the benefit of any of the persons listed above. The information given should include the largest amount outstanding during the period covered, the amount outstanding as of the latest practicable date, the nature of the loan and the transaction in which it was incurred, and the interest rate on the loan.

C. Interests of experts and counsel. If any of the named experts or counselors was employed on a contingent basis, owns an amount of shares in the company or its subsidiaries which is material to that person, or has a material, direct or indirect economic interest in the company or that depends on the success of the offering, provide a brief description of the nature and terms of such contingency or interest.

Instructions to Item 7.B: If you are providing the information called for by Item 7.B in an annual report, you only have to provide the required information for the period from the beginning of your last full fiscal year up to the latest practicable date.

Instructions to Item 7.C: If you are filing Form 20-F as a registration statement or annual report under the Exchange Act, you do not have to provide the information called for by

Item 7.C. You must provide this information if you are filing a registration statement under the Securities Act. Accountants who provide a report on financial statements that are presented or incorporated by reference in a registration statement should note Article 2 of Regulation S-X. That Article contains the Commission's requirements for qualifications and reports of accountants.

Item 8. Financial Information

The purpose of this standard is to specify which financial statements must be included in the document, as well as the periods to be covered, the age of the financial statements and other information of a financial nature.

A. Consolidated Statements and Other Financial Information.

1. The document must contain consolidated financial statements, audited by an independent auditor and accompanied by an audit report, comprised of:

- (a) balance sheet;
- (b) income statement;
- (c) statement showing either (i) changes in equity other than those arising from capital transactions with owners and distributions to owners; or (ii) all changes in equity (including a subtotal of all non-owner items recognized directly in equity);
- (d) cash flow statement;
- (e) related notes and schedules required by the comprehensive body of accounting standards pursuant to which the financial statements are prepared; and
- (f) if not included in the primary financial statements, a note analyzing the changes in each caption of shareholders' equity presented in the balance sheet.

2. The document should include comparative financial statements that cover the latest three financial years, audited in accordance with a comprehensive body of auditing standards.

3. The audit report(s) must cover each of the periods for which these international disclosure standards require audited financial statements. If the auditors have refused to provide a report on the annual accounts or if the report(s) contain qualifications or disclaimers, such refusal or such qualifications or disclaimers shall be reproduced in full and the reasons given, so the host country securities regulator can determine whether or not to accept the financial statements. Include an indication of any other information in the document which has been audited by the auditors.

4. The last year of audited financial statements may not be older than 15 months at the time of the offering or listing; provided, however, that in the case of the company's initial public offering, unless the host country regulator permits otherwise, the audited financial statements also shall be as of a date not older than 12 months at the time the document is filed. In such cases, the audited financial statements may cover a period of less than a full year.

5. If the document is dated more than nine months after the end of the last audited financial year, it should contain consolidated interim financial statements, which may be unaudited (in which case that fact should be stated), covering at least the first six months of the financial year. The interim financial statements should include a balance sheet, income statement, cash flow statement, and a statement showing either (i) changes in equity other than those arising from capital transactions with owners and distributions to owners, or (ii) all changes in equity (including a subtotal of all non-owner items recognized directly in equity). Each of these statements may be in condensed form as long as it contains the major line items from the latest audited financial statements and includes the major components of assets, liabilities and equity (in the case of the balance sheet); income and expenses (in the case of the income statement) and the major subtotals of cash flows (in the case of the cash flow statement). The interim financial statements should include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year end balance sheet. If not included in the primary financial statements, a note should be provided analyzing the changes in each caption of shareholders' equity presented in the balance sheet. The interim financial statements should include selected note disclosures that will provide an explanation of events and changes that are significant to an understanding of the changes in financial position and performance of the enterprise since the last annual reporting date. If, at the date of the document, the company has published interim financial statements that cover a more current period than those otherwise required by this standard, the more current interim financial statements must be included in the document. Companies are encouraged, but not required, to have any interim financial statements in the

document reviewed by an independent auditor. If such a review has been performed and is referred to in the document, a copy of the auditor's interim review report must be provided in the document.

6. If the amount of export sales constitutes a significant portion of the company's total sales volume, provide the total amount of export sales and the percent and amount of export sales in the total amount of sales volume.

7. Provide information on any legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings and those involving any third party, which may have, or have had in the recent past, significant effects on the company's financial position or profitability. This includes governmental proceedings pending or known to be contemplated.

8. Describe the company's policy on dividend distributions.

B. Significant Changes. Disclose whether or not any significant change has occurred since the date of the annual financial statements, and/or since the date of the most recent interim financial statements, if any, included in the document.

Instructions to Item 8.A.2: The financial statements must be audited in accordance with U.S. generally accepted auditing standards, and the auditor must comply with the U.S. and Commission standards for auditor independence. Note Article 2 of Regulation S-X, which contains requirements for qualifications and reports of accountants.

Instructions to Item 8.A.3: The circumstances in which we would accept an audit report containing a disclaimer or qualification are extremely limited. If you plan to submit this type of report, we recommend that you contact the staff of the Office of Chief Accountant in the Division of Corporation Finance well in advance of filing the document, to discuss the report.

Instructions to Item 8.A.4:

1. In calculating the 15-month requirement for the age of financial statements, determine the age based on the period of time that has elapsed between the date of the balance sheet and "the time of the offering or listing," which means the time the registration statement is declared effective. You may satisfy this requirement by providing audited financial statements covering a period of less than a full year.

2. The additional requirement that financial statements be no older than 12 months at the date of filing applies only in those limited cases where a nonpublic company is registering its

initial public offering of securities. We will waive this additional requirement in those cases if you are able to represent adequately to us that you are not required to comply with this requirement in any other jurisdiction outside the United States and that complying with the requirement is impracticable or involves undue hardship. File this statement as an exhibit to the registration statement.

Instructions to Item 8.A.5: Item 8.A.5 does not apply to annual reports on Form 20-F. This item requires you to include in the document interim financial statements that have been published by the company if those statements cover a more current period than the statements otherwise required by Item 8. This requirement covers any publication of financial information that includes, at a minimum, revenue and income information, even if that information is not published as part of a complete set of financial statements. Whenever you provide more current interim financial information in response to this requirement:

1. Describe any ways in which the accounting principles, practices and methods used in preparing that interim financial information vary materially from the principles, practices and methods accepted in the United States, and

2. Quantify any material variations, unless they already are quantified because they occur in other financial statements included in the document.

Instructions to Item 8.A.7:

1. This Item requires disclosure of any material proceeding in which any director, any member of senior management, or any of your affiliates is either a party adverse to you or your subsidiaries or has a material interest adverse to you or your subsidiaries.

2. If you are providing the information called for by Item 8.A.7 in an annual report, describe the disposition of any previously reported litigation that occurred during the last fiscal year.

Item 9. The Offer and Listing

The purpose of this standard is to provide information regarding the offer or listing of securities, the plan for distribution of the securities and related matters.

A. Offer and listing details.

1. Indicate the expected price at which the securities will be offered or the method of determining the price, and the amount of any expenses specifically charged to the subscriber or purchaser.

2. If there is not an established market for the securities, the document shall contain information regarding the

manner of determination of the offering price as well as of the exercise price of warrants and the conversion price of convertible securities, including who established the price or who is formally responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for establishing the price.

3. If the company's shareholders have pre-emptive purchase rights and where the exercise of the right of pre-emption of shareholders is restricted or withdrawn, the company shall indicate the basis for the issue price if the issue is for cash, together with the reasons for such restriction or withdrawal and the beneficiaries of such restriction or withdrawal if intended to benefit specific persons.

4. Information regarding the price history of the stock to be offered or listed shall be disclosed as follows:

(a) For the five most recent full financial years: the annual high and low market prices;

(b) For the two most recent full financial years and any subsequent period: the high and low market prices for each full financial quarter;

(c) For the most recent six months: the high and low market prices for each month;

(d) For pre-emptive issues, the market prices for the first trading day in the most recent six months, for the last trading day before the announcement of the offering and (if different) for the latest practicable date prior to publication of the document.

Information shall be given with respect to the market price in the host market and the principal trading market outside the host market. If significant trading suspensions occurred in the prior three years, they shall be disclosed. If the securities are not regularly traded in an organized market, information shall be given about any lack of liquidity.

5. State the type and class of the securities being offered or listed and furnish the following information:

(a) Indicate whether the shares are registered shares or bearer shares and provide the number of shares to be issued and to be made available to the market for each kind of share. The nominal par or equivalent value should be given on a per share basis and, where applicable, a statement of the minimum offer price. Describe the coupons attached, if applicable.

(b) Describe arrangements for transfer and any restrictions on the free transferability of the shares.

6. If the rights evidenced by the securities being offered or listed are or

may be materially limited or qualified by the rights evidenced by any other class of securities or by the provisions of any contract or other documents, include information regarding such limitation or qualification and its effect on the rights evidenced by the securities to be listed or offered.

7. With respect to securities other than common or ordinary shares to be listed or offered, outline briefly the rights evidenced thereby.

(a) If subscription warrants or rights are to be listed or offered, state: the title and amount of securities called for; the amount of warrants or rights outstanding; provisions for changes to or adjustments in the exercise price; the period during which and the price at which the warrants or rights are exercisable; and any other material terms of such warrants or rights.

(b) Where convertible securities or stock purchase warrants to be listed or offered are subject to redemption or call, the description of the conversion terms of the securities or material terms of the warrants shall include whether the right to convert or purchase the securities will be forfeited unless it is exercised before the date specified in the notice of redemption or call; the expiration or termination date of the warrants; the kind, frequency and timing of notice of the redemption or call, including where the notice will be published; and, in the case of bearer securities, that investors are responsible for making arrangements to prevent loss of the right to convert or purchase in the event of redemption or call.

B. *Plan of distribution.*

1. The names and addresses of the entities underwriting or guaranteeing the offering shall be listed.

2. To the extent known to the company, indicate whether major shareholders, directors or members of the company's management, supervisory or administrative bodies intend to subscribe in the offering, or whether any person intends to subscribe for more than 5% of the offering.

3. Identify any group of targeted potential investors to whom the securities are offered. If the offering is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.

4. If securities are reserved for allocation to any group of targeted investors, including, for example, offerings to existing shareholders, directors, or employees and past employees of the company or its subsidiaries, provide details of these

and any other preferential allocation arrangements.

5. Indicate whether the amount of the offering could be increased, such as by the exercise of an underwriter's over-allotment option or "greenshoe," and by how much.

6. Indicate the amount, and outline briefly the plan of distribution, of any securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of brokers or dealers, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify the broker(s) or dealer(s) that will participate in the offering and state the amount to be offered through each.

7. If the securities are to be offered in connection with the writing of exchange-traded call options, describe briefly such transactions.

8. If simultaneously or almost simultaneously with the creation of shares for which admission to official listing is being sought, shares of the same class are subscribed for or placed privately or if shares of other classes are created for public or private placing, details are to be given of the nature of such operations and of the number and characteristics of the shares to which they relate.

9. Unless otherwise described under the response to Item 10.C (Material Contracts), describe the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter in privity of contract with the company or selling shareholders. The foregoing information should include a statement as to whether the underwriters are or will be committed to take and to pay for all of the securities if any are taken, or whether it is an agency or the type of "best efforts" arrangement under which the underwriters are required to take and to pay for only such securities as they may sell to the public.

10. If any underwriter or other financial adviser has a material relationship with the company, describe the nature and terms of such relationship.

C. *Markets.* The company shall disclose all stock exchanges and other regulated markets on which the securities to be offered or listed are traded. When an application for admission to any exchange and/or regulated market is being or will be sought, this must be mentioned, without creating the impression that the listing necessarily will be approved. If known, the dates on which the shares will be listed and dealt in should be given.

D. *Selling shareholders.* The following information shall be provided:

1. The name and address of the person or entity offering to sell the shares, the nature of any position, office or other material relationship that the selling shareholder has had within the past three years with the company or any of its predecessors or affiliates.

2. The number and class of securities being offered by each of the selling shareholders, and the percentage of the existing equity capital. The amount and percentage of the securities for each particular type of securities beneficially held by the selling shareholder before and immediately after the offering shall be specified.

E. *Dilution.* The following information shall be provided:

1. Where there is a substantial disparity between the public offering price and the effective cash cost to directors or senior management, or affiliated persons, of equity securities acquired by them in transactions during the past five years, or which they have the right to acquire, include a comparison of the public contribution in the proposed public offering and the effective cash contributions of such persons.

2. Disclose the amount and percentage of immediate dilution resulting from the offering, computed as the difference between the offering price per share and the net book value per share for the equivalent class of security, as of the latest balance sheet date.

3. In the case of a subscription offering to existing shareholders, disclose the amount and percentage of immediate dilution if they do not subscribe to the new offering.

F. *Expenses of the issue.* The following information shall be provided:

1. The total amount of the discounts or commissions agreed upon by the underwriters or other placement or selling agents and the company or offeror shall be disclosed, as well as the percentage such commissions represent of the total amount of the offering and the amount of discounts or commissions per share.

2. A reasonably itemized statement of the major categories of expenses incurred in connection with the issuance and distribution of the securities to be listed or offered and by whom the expenses are payable, if other than the company. If any of the securities are to be offered for the account of a selling shareholder, indicate the portion of such expenses to be borne by such shareholder. The information may be given subject to future contingencies. If the amounts of

any items are not known, estimates (identified as such) shall be given.

Instructions to Item 9: If you are using this Form as a registration statement under the Exchange Act, provide only the information called for by Items 9.A.4-7 and 9.C. If you are using this Form as an annual report, provide only the information called for by Items 9.A.4 and 9.C. If you are providing this information in a Securities Act registration statement, provide the information called for by the entire Item.

Instructions to Item 9.A: When you are required to state the title of the securities, the title must indicate the type and general character of the securities, such as whether they are callable, convertible or redeemable and whether there is any preference or fixed rate of dividends.

Instructions to Item 9.B: If previously you have not been required to file reports under section 13(a) or 15(d) of the Exchange Act and any of the managing underwriters (or a majority of the principal underwriters) has been organized, reactivated or first registered as a broker-dealer within the past three years, disclose that fact. Also disclose, if true, that the principal business function of this underwriter will be to sell the securities being registered or that your promoters or founders have a material relationship with this underwriter. Give enough details to provide a clear picture of the underwriter's experience and its relationship with you, your promoters or founders, and their controlling persons.

Instructions to Item 9.F: Major categories of expenses include at least the following: registration fees, federal taxes, state taxes and fees, trustees' and transfer agents' fees, printing and engraving costs, legal fees, accounting fees, engineering fees, and any premiums paid to insure directors or officers for liabilities in connection with the registration, offer or sale of the securities you are registering.

Item 10. Additional Information

The purpose of this standard is to provide information, most of which is of a statutory nature, that is not covered elsewhere in the document.

A. Share capital. The following information shall be given as of the date of the most recent balance sheet included in the financial statements and as of the latest practicable date:

1. The amount of issued capital and, for each class of share capital: (a) the number of shares authorized; (b) the number of shares issued and fully paid and issued but not fully paid; (c) the par

value per share, or that the shares have no par value; and (d) a reconciliation of the number of shares outstanding at the beginning and end of the year. If more than 10% of capital has been paid for with assets other than cash within the past five years, that fact should be stated.

2. If there are shares not representing capital, the number and main characteristics of such shares shall be stated.

3. Indicate the number, book value and face value of shares in the company held by or on behalf of the company itself or by subsidiaries of the company.

4. Where there is authorized but unissued capital or an undertaking to increase the capital, for example, in connection with warrants, convertible obligations or other outstanding equity-linked securities, or subscription rights granted, indicate: (i) the amount of outstanding equity-linked securities and of such authorized capital or capital increase and, where appropriate, the duration of the authorization; (ii) the categories of persons having preferential subscription rights for such additional portions of capital; and (iii) the terms, arrangements and procedures for the share issue corresponding to such portions.

5. The persons to whom any capital of any member of the group is under option or agreed conditionally or unconditionally to be put under option, including the title and amount of securities covered by the options; the exercise price; the purchase price, if any; and the expiration date of the options, or an appropriate negative statement. Where options have been granted or agreed to be granted to all the holders of shares or debt securities, or of any class thereof, or to employees under an employees' share scheme, it will be sufficient so far as the names are concerned, to record that fact without giving names.

6. A history of share capital for the last three years identifying the events during such period which have changed the amount of the issued capital and/or the number and classes of shares of which it composed, together with a description of changes in voting rights attached to the various classes of shares during that time. Details should be given of the price and terms of any issue including particulars of consideration where this was other than cash (including information regarding discounts, special terms or installment payments). If there are no such issues, an appropriate negative statement must be made. The reason for any reduction of the amount of capital and the ratio of capital reductions also shall be given.

7. An indication of the resolutions, authorizations and approvals by virtue of which the shares have been or will be created and/or issued, the nature of the issue and amount thereof and the number of shares which have been or will be created and/or issued, if predetermined.

B. Memorandum and articles of association. The following information shall be provided:

1. Indicate the register and the entry number therein, if applicable, and describe the company's objects and purposes and where they can be found in the memorandum and articles.

2. With respect to directors, provide a summary of any provisions of the company's articles of association or charter and bylaws with respect to: (a) a director's power to vote on a proposal, arrangement or contract in which the director is materially interested; (b) the directors' power, in the absence of an independent quorum, to vote compensation to themselves or any members of their body; (c) borrowing powers exercisable by the directors and how such borrowing powers can be varied; (d) retirement or non-retirement of directors under an age limit requirement; and (e) number of shares, if any, required for director's qualification.

3. Describe the rights, preferences and restrictions attaching to each class of the shares, including: (a) dividend rights, including the time limit after which dividend entitlement lapses and an indication of the party in whose favor this entitlement operates; (b) voting rights, including whether directors stand for reelection at staggered intervals and the impact of that arrangement where cumulative voting is permitted or required; (c) rights to share in the company's profits; (d) rights to share in any surplus in the event of liquidation; (e) redemption provisions; (f) sinking fund provisions; (g) liability to further capital calls by the company; and (h) any provision discriminating against any existing or prospective holder of such securities as a result of such shareholder owning a substantial number of shares.

4. Describe what action is necessary to change the rights of holders of the stock, indicating where the conditions are more significant than is required by law.

5. Describe the conditions governing the manner in which annual general meetings and extraordinary general meetings of shareholders are convoked, including the conditions of admission.

6. Describe any limitations on the rights to own securities, including the rights of non-resident or foreign shareholders to hold or exercise voting

rights on the securities imposed by foreign law or by the charter or other constituent document of the company or state that there are no such limitations if that is the case.

7. Describe briefly any provision of the company's articles of association, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the company and that would operate only with respect to a merger, acquisition or corporate restructuring involving the company (or any of its subsidiaries).

8. Indicate the bylaw provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed.

9. With respect to items 2 through 8 above, if the law applicable to the company in these areas is significantly different from that in the host country, the effect of the law in these areas should be explained.

10. Describe the conditions imposed by the memorandum and articles of association governing changes in the capital, where such conditions are more stringent than is required by law.

C. Material contracts. Provide a summary of each material contract, other than contracts entered into in the ordinary course of business, to which the company or any member of the group is a party, for the two years immediately preceding publication of the document, including dates, parties, general nature of the contracts, terms and conditions, and amount of any consideration passing to or from the company or any other member of the group.

D. Exchange controls. Describe any governmental laws, decrees, regulations or other legislation of the home country of the company which may affect:

1. the import or export of capital, including the availability of cash and cash equivalents for use by the company's group.

2. the remittance of dividends, interest or other payments to nonresident holders of the company's securities.

E. Taxation. The company shall provide information regarding taxes (including withholding provisions) to which shareholders in the host country may be subject. Information should be included as to whether the company assumes responsibility for the withholding of tax at the source and regarding applicable provisions of any reciprocal tax treaties between the home and host countries, or a statement, if applicable, that there are no such treaties.

F. Dividends and paying agents. Disclose any dividend restrictions, the

date on which the entitlement to dividends arises, if known, and any procedures for nonresident holders to claim dividends. Identify the financial organizations which, at the time of admission of shares to official listing, are the paying agents of the company in the countries where admission has taken place or is expected to take place.

G. Statement by experts. Where a statement or report attributed to a person as an expert is included in the document, provide such person's name, address and qualifications and a statement to the effect that such statement or report is included, in the form and context in which it is included, with the consent of that person, who has authorized the contents of that part of the document.

H. Documents on display. The company shall provide an indication of where the documents concerning the company which are referred to in the document may be inspected. Exhibits and documents on display generally should be translated into the language of the host country, or a summary in the host country language should be provided.

I. Subsidiary Information. Certain information relating to the company's subsidiaries must be provided in some countries, if the information is not otherwise called for by the body of generally accepted accounting principles used in preparing the financial statements.

Instructions to Item 10: If you are using this Form as an annual report and the information called for by Items 10.B and 10.C has been reported previously in a registration statement on Form 20-F or a registration statement filed under the Securities Act, you may incorporate that information by a specific reference in the annual report to the previous registration statement. The information referred to in Item 10.I is not required for registration statements and reports filed in the United States.

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Item 12. Description of Securities Other than Equity Securities.

A. Debt Securities. If you are registering debt securities, provide the following information if it is relevant to the securities you are registering.

1. Information about interest, conversions, maturity, redemption, amortization, sinking funds or retirement.

2. The kind and priority of any lien securing the issue, as well as a brief identification of the principal properties subject to each lien.

3. Subordination of the rights of holders of the securities to other

security holders or creditors. If the securities are designated in their title as subordinated, give the aggregate amount of outstanding indebtedness as of the most recent practicable date that is senior to the subordinated debt and briefly describe any limitations on the issuance of additional senior indebtedness, or state that there is no limitation.

4. Information about provisions restricting the declaration of dividends or requiring the creation or maintenance of any reserves or of any ratio of assets or requiring the maintenance of properties.

5. Information about provisions permitting or restricting the issuance of additional securities, the withdrawal of cash deposited against the issuance of additional securities, the incurring of additional debt, the release or substitution of assets securing the issue, the modification of the terms of the security and similar provisions. You do not need to describe provisions permitting the release of assets upon the deposit of equivalent funds or the pledge of equivalent property, the release of property no longer required in the business, obsolete property or property taken by eminent domain, the application of insurance monies, and similar provisions.

6. The general type of event that constitutes a default and whether or not you are required to provide periodic evidence of the absence of a default or of compliance with the terms of the indenture.

7. Modification of the terms of the security or the rights of security holders.

8. If the rights evidenced by the securities you are registering are or may be materially limited or qualified by the rights of any other authorized class of securities, provide enough information about the other class of securities so investors will understand the rights evidenced by the securities you are registering. You do not need to provide information about the other class of securities if all of it will be retired, as long as you have taken appropriate steps to ensure that retirement will be completed on or before the time you deliver the securities you are registering.

9. The tax effects of any "original issue discount" as that term is defined in Section 1232 of the Internal Revenue Code (26 U.S.C. 1232), including cases where the debt security is being sold in a package with another security and the allocation of the offering price between the two securities may have the effect of offering the debt security at an original issue discount.

10. The name and address of the trustee and the nature of any material

relationship between the trustee and you or any of your affiliates, the percentage of the class of securities that is needed to require the trustee to take action, and what indemnification the trustee may require before proceeding to enforce the lien.

11. The names and addresses of the paying agents.

12. The currency or currencies in which the debt is payable. If the debt may be paid in two or more currencies, state who has the option to determine the currency conversion and what the basis will be for that determination.

13. Any law or decree determining the extent to which the securities may be serviced.

14. The consequences of any failure to pay principal, interest, or any sinking or amortization installment.

15. If the securities are guaranteed, the name of the guarantor and a brief outline of the contract of guarantee.

B. Warrants and Rights. If the securities you are registering are being offered pursuant to warrants or rights, provide the following information, in addition to the description of the securities the warrants or rights represent.

1. The amount of securities called for by the warrants or rights.

2. The period during and the price at which the warrants or rights are exercisable.

3. The amount of warrants or rights outstanding.

4. Provisions for changes or adjustments in the exercise price.

5. Any other material terms of the warrants or rights.

C. Other Securities. If you are registering securities other than equity, debt, warrants or rights, briefly describe the rights evidenced by the securities you are registering. The description should be comparable in detail to the description you would be required to provide for equity, debt, warrants or rights.

D. American Depositary Shares. If you are registering American depositary shares represented by American depositary receipts, provide the following information.

1. Give the name of the depository and the address of its principal executive office.

2. Give the title of the American depositary receipts and identify the deposited security. Briefly describe the American depositary shares, including provisions, if any, regarding:

(a) the amount of deposited securities represented by one unit of American depositary receipts;

(b) any procedure for voting the deposited securities;

(c) the procedure for collecting and distributing dividends;

(d) the procedures for transmitting notices, reports and proxy soliciting material;

(e) the sale or exercise of rights;

(f) the deposit or sale of securities resulting from dividends, splits or plans of reorganization;

(g) amendment, extension or termination of the deposit arrangements;

(h) the rights that holders of American depositary receipts have to inspect the books of the depository and the list of receipt holders;

(i) any restrictions on the right to transfer or withdraw the underlying securities; and

(j) any limitation on the depository's liability.

3. Describe all fees and charges that a holder of American depositary receipts may have to pay, either directly or indirectly. Indicate the type of service, the amount of the fees or charges and to whom the fees or charges are paid. In particular, provide information about any fees or charges in connection with (a) depositing or substituting the underlying shares; (b) receiving or distributing dividends; (c) selling or exercising rights; (d) withdrawing an underlying security; and (e) transferring, splitting or grouping receipts. Provide information about the depository's right, if any, to collect fees and charges by offsetting them against dividends received and deposited securities.

Instructions to Item 12: You do not need to provide the information called for by this item if you are using this form as an annual report.

You do not need to include any information in a registration statement or prospectus in response to Item 305(a)(2) of the Trust Indenture Act of 1939, 15 U.S.C. 77aaa *et seq.*, as amended, if the information is not otherwise required by this Item.

If you are registering convertible securities or stock purchase warrants that are subject to redemption or call, include the following information in your description of the securities.

1. Whether holders will forfeit the right to convert or purchase the securities unless they exercise that right before the date specified in the notice of redemption or call;

2. The expiration or termination date of the warrants;

3. The kinds, frequency and timing of the redemption or call notice, including the cities or newspapers in which you will publish the notice; and

4. In the case of bearer securities, that investors are responsible for making arrangements to avoid losing the right to convert or purchase if there is a

redemption or call, such as by reading the newspapers in which you will publish the redemption or call notice.

When you are required to state the title of the securities, the title must indicate the type and general character of the securities.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies.

A. If there has been:

1. a material default in the payment of principal, interest, a sinking or purchase fund installment, or

2. any other material default not cured within 30 days,

relating to indebtedness of you or any of your significant subsidiaries, and if the amount of the indebtedness exceeds 5% of your total assets on a consolidated basis, identify the indebtedness and state the nature of the default. If the default falls under paragraph A.1 above, state the amount of the default and the total arrearage on the date you file this report.

B. If the payment of dividends is in arrears or there has been any other material delinquency not cured within 30 days, relating to:

1. any class of your preferred stock which is registered or ranks prior to any class of registered securities, or

2. any class of preferred stock of your significant subsidiaries, state the title of the class and the nature of the arrearage or delinquency. If the payment of dividends is in arrears, state the amount of this arrearage and the total arrearage on the date you file this report.

Instructions to Item 13: If you previously have reported information called for by this item in a report on Form 6-K, you may incorporate the information by specifically referring in this report to the previous report.

You do not have to provide the information called for by this Item if the default or arrearage relates to a class of securities held entirely by or for the account of you or any of your wholly owned subsidiaries.

Instructions to Item 13.A: This requirement only applies to events that have become defaults under the governing instruments, i.e., after any grace period has expired and any notice requirements have been satisfied.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds.

A. If you or anyone else has modified materially the instruments defining the rights of holders of any class of registered securities, identify that class

of securities and briefly describe the general effect of the modification on the rights of those security holders.

B. If you or anyone else has modified materially or qualified the rights evidenced by any class of registered securities by issuing or modifying any other class of securities, briefly describe the general effect of the issuance or modification on the rights of holders of the registered securities.

C. If you or anyone else has materially withdrawn or substituted the assets securing any class of your registered securities, provide the following information.

1. Give the title of the securities.

2. Identify and describe briefly the assets withdrawn or substituted.

3. Indicate the provisions in the underlying indenture, if any, that authorize the withdrawal or substitution.

D. If the trustees or paying agents for any registered securities have changed during the last financial year, give the names and addresses of the new trustees or paying agents.

E. *Use of proceeds.* If required pursuant to Rule 463 under the Securities Act, report the use of proceeds after the effective date of the first Securities Act registration statement filed by you or your predecessor. You must report the use of proceeds:

(i) on the first Form 20-F annual report you file pursuant to sections 13(a) and 15(d) of the Exchange Act after the Securities Act registration statement is effective, and

(ii) on each of your subsequent Form 20-F annual reports filed pursuant to sections 13(a) and 15(d) of the Exchange Act.

You may cease reporting the use of proceeds on the later of the date you disclose application of all the offering proceeds, or the date you disclose termination of the offering. If a required report on the use of proceeds relates to the first effective registration statement of your predecessor, you must provide the report.

Provide the information required by paragraphs E.1 through E.4 below in the first Form 20-F annual report you file pursuant to sections 13(a) and 15(d) of the Exchange Act. In subsequent Form 20-F annual reports, you only need to provide the information required by paragraphs E.2 through E.4 if that information has changed since the last Form 20-F annual report you filed.

1. The effective date of the Securities Act registration statement for which the use of proceeds information is being disclosed and the Commission file

number assigned to that registration statement;

2. The offering date, if the offering has commenced, or an explanation of why it has not commenced;

3. If the offering terminated before any securities were sold, an explanation for the termination; and

4. If the offering did not terminate before any securities were sold, disclose:

(a) Whether the offering has terminated and, if so, whether it terminated before all of the registered securities were sold;

(b) The name(s) of the managing underwriter(s), if any;

(c) The title of each class of securities registered and, if a class of convertible securities is being registered, the title of any class of securities into which the convertible securities may be converted;

(d) For each class of securities (other than a class into which a class of registered convertible securities may be converted without additional payment to the issuer) the following information, provided for both the account of the issuer and the account(s) of any selling shareholder(s): the amount registered, the aggregate price of the offering amount registered, the amount sold and the aggregate offering price of the amount sold to date;

(e) From the effective date of the Securities Act registration statement to the ending date of the reporting period, the amount of expenses incurred for the issuer's account in connection with the issuance and distribution of the registered securities for underwriting discounts and commissions, finders' fees, expenses paid to or for underwriters, other expenses and total expenses. Indicate if a reasonable estimate for the amount of expenses is provided instead of the actual amount of the expense. Indicate whether the payments were:

(i) Direct or indirect payments to directors, officers, general partners of the issuer or their associates; to persons owning ten (10) percent or more of any class of the issuer's equity securities; and to affiliates of the issuer; or

(ii) Direct or indirect payments to others;

(f) The net offering proceeds to the issuer after deducting the total expenses described in paragraph E.4(e) of this Item;

(g) From the effective date of the Securities Act registration statement to the ending date of the reporting period, the amount of net offering proceeds to the issuer used for construction of plant, building and facilities; purchase and installation of machinery and equipment; purchases of real estate;

acquisition of other business(es); repayment of indebtedness; working capital; temporary investments (which should be specified); and any other purposes for which at least five (5) percent of the issuer's total offering proceeds or \$100,000 (whichever is less) has been used (which should be specified). Indicate if a reasonable estimate for the amount of net offering proceeds applied instead of the actual amount of net offering proceeds used. Indicate whether such payments were:

(i) Direct or indirect payments to directors, officers, general partners of the issuer or their associates; to persons owning ten (10) percent or more of any class of the issuer's equity securities; and to affiliates of the issuer; or

(ii) Direct or indirect payments to others; and

(h) If the use of proceeds in paragraph E.4(g) of this Item represents a material change in the use of proceeds described in the prospectus, the issuer should describe briefly the material change.

Instructions to Item 14: If you previously have reported information called for by this item in a report on Form 6-K, you may incorporate the information by specifically referring in this report to the previous report.

Instructions to Item 14.B: You should report any working capital restrictions or other limitations on the payment of dividends.

Instructions to Item 14.C: You do not have to provide the information called for by Item 14.C. if the withdrawal or substitution is made pursuant to the terms of an indenture qualified under the Trust Indenture Act of 1939.

Item 15. [Reserved]

Item 16. [Reserved]

PART III

[See General Instruction E(c)]

* * * * *

Item 18. Financial Statements.

Provide the following information:

(a) All of the information required by Item 17 of this Form, and

(b) All other information required by U.S. generally accepted accounting principles and Regulation S-X unless such requirements specifically do not apply to the registrant as a foreign issuer. However, information may be omitted (i) for any period in which net income has not been presented on a basis reconciled to United States generally accepted accounting principles, or (ii) if the financial statements are furnished for a business acquired or to be acquired pursuant to § 210.3-05 or less-than-majority-owned

investee pursuant to § 210.3-09 of this chapter.

Instructions to Item 18: All of the instructions to Item 17 also apply to this Item, except Instruction 3 to Item 17, which does not apply.

Item 19. Exhibits.

List all exhibits filed as part of the registration statement or annual report, including exhibits incorporated by reference.

Instructions to Item 19: If you incorporate any financial statement or exhibit by reference, include the incorporation by reference in the list required by this Item. Note Rule 12b-23 regarding incorporation by reference. Note also the Instructions to Exhibits at the end of this Form.

Signatures

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this registration statement [annual report] on its behalf.

(Registrant)

(Signature) *

Date: _____

* Print the name and title of the signing office under this signature.

Instructions as to Exhibits

File the exhibits listed below as part of this registration statement or report. Rule 12b-32 explains the circumstances in which you may incorporate exhibits by reference. Rule 24b-2 explains the procedure to be followed in requesting confidential treatment of information required to be filed.

Include an exhibit index in each registration statement or report you file, immediately preceding the exhibits you are filing. The exhibit index must list each exhibit according to the number assigned to it below. If an exhibit is incorporated by reference, note that fact in the exhibit index. In the sequentially numbered, manually signed original registration statement required by Securities Act Rule 403(d), include in the index the page number in the sequential numbering system where each exhibit can be found.

In an annual report, previously filed exhibits may be incorporated by reference. If any previously filed exhibits have been amended or modified, file copies of the amendment or modification or copies of the entire exhibit as amended or modified.

1. The articles of incorporation or association and bylaws, or comparable

instruments, as currently in effect and any amendments to those documents. If you are filing an amendment, file a complete copy of the document as amended.

2. (a) All instruments defining the rights of holders of the securities being registered. You do not have to file instruments that define the rights of participants, rather than security holders, in an employee benefit plan.

(b) All instruments defining the rights of holders of long-term debt issued by you or any subsidiary for which you are required to file consolidated or unconsolidated financial statements, except that you do not have to file:

(i) any instrument relating to long-term debt that is not being registered on this registration statement, if the total amount of securities authorized under that instrument does not exceed 10% of the total assets of you and your subsidiaries on a consolidated basis and you have filed an agreement to furnish us a copy of the instrument if we request it;

(ii) any instrument relating to a class of securities if, on or before the date you deliver the securities being registered, you take appropriate steps to assure that class of securities will be redeemed or retired; or

(iii) copies of instruments evidencing script certificates for fractions of shares.

(c) A copy of the indenture, if the securities being registered are or will be issued under an indenture qualified under the Trust Indenture Act of 1939. Include a reasonably itemized and informative table of contents and a cross-reference sheet showing the location in the indenture of the provisions inserted pursuant to sections 310 through 318(a) inclusive of the Trust Indenture Act.

3. Any voting trust agreements and any amendments to those agreements.

4. (a) Every contract that is material to you and (i) is to be performed in whole or in part on or after the date you file the registration statement or (ii) was entered into not more than two years before the filing date. Only file a contract if you or your subsidiary is a party or has succeeded to a party by assumption or assignment or if you or your subsidiary has a beneficial interest.

(b) If a contract is the type that ordinarily accompanies the kind of business you and your subsidiaries conduct, we will consider it have been made in the ordinary course of business and will not require you to file it, unless it falls within one or more of the following categories. Even if it falls into one of these categories, you do not have to file the contract if it is immaterial in amount or significance.

(i) Any contract to which (A) directors, (B) officers, (C) promoters, (D) voting trustees or (E) security holders named in the registration statement are parties, unless the contract involves only the purchase or sale of current assets that have a determinable market price and the assets are purchased or sold at that price;

(ii) Any contract upon which your business is substantially dependent. Examples of these types of contracts might be (a) continuing contracts to sell the major part of your products or services or to purchase the major part of your requirement of goods, services or raw materials, or (b) any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name if your business depends to a material extent on that patent, formula, trade secret processor trade name;

(iii) Any contract for the acquisition or sale of any property, plant or equipment if the consideration exceeds 15% of your fixed assets on a consolidated basis; or

(iv) Any material lease under which you hold part of the property described in the registration statement.

(c) We will consider any management contract or compensatory plan, contract or arrangement in which your directors or members of your administrative, supervisory or management bodies participate to be material. File these management contracts or compensatory plans, contracts or arrangements unless they fall into one of the following categories:

(i) Ordinary purchase and sale agency agreements;

(ii) Agreements with managers of stores in a chain or similar organization;

(iii) Contracts providing for labor or salesmen's bonuses or for payments to a class of security holders in their capacity as security holders;

(iv) Any compensatory plan, contract or arrangement that is available by its terms to employees, officers or directors generally, if the operation of the plan, contract or arrangement uses the same method to allocate benefits to management and nonmanagement participants; and

(v) Any compensatory plan, contract or arrangement if you are furnishing compensation information on an aggregate basis as permitted by Item 6.B.

If you are filing compensatory plans, contracts or arrangements, only file copies of the plans and not copies of each individual's personal agreement under the plans, unless there are particular provisions in a personal agreement that should be filed as an exhibit so investors will understand that

individual's compensation under the plan.

5. A list showing the number and a brief identification of each material foreign patent for an invention not covered by a United States patent, but only if we request you to file the list.

6. A statement explaining in reasonable detail how earnings per share information was calculated, unless the computation is clear from material contained in the registration statement or report.

7. A statement explaining in reasonable detail how any ratio of earning to fixed charges, any ratio of earnings to combined fixed charges and preferred stock dividends or any other ratios in the registration statement or report were calculated.

8. A list of all your subsidiaries, their jurisdiction of incorporation and the names under which they do business. You may omit the names of subsidiaries that, in the aggregate, would not be a "significant subsidiary" as defined in rule 1-02(w) of Regulation S-X as of the end of the year covered by the report. You may omit the names of multiple wholly owned subsidiaries carrying on the same line of business, such as chain stores or service stations, if you give the name of the immediate parent company, the line of business and the number of omitted subsidiaries broken down by U.S. and foreign operations.

9. Statement pursuant to the instructions to Item 8.A.4, regarding the financial statements filed in registration statements for initial public offerings of securities.

10. (a) Any additional exhibits you wish to file as part of the registration statement or report, clearly marked to indicate their subject matter, and (b) any document or part of a document incorporated by reference in this filing if it is not otherwise required to be filed or is not a Commission filed document incorporated in a Securities Act registration statement.

* * * * *

PART 260—GENERAL RULES AND REGULATIONS, TRUST INDENTURE ACT OF 1939

50. The authority citation for part 260 continues to read as follows:

Authority: 15 U.S.C. 77eee, 77ggg, 77nnn, 78sss, 78ll(d), 80b-3, 80b-4, and 80b-11.

51. Amend § 260.0-11 by removing in paragraph (b)(2) the words "Item 9 of Form 20-F (§ 249.220f of this chapter), management's discussion and analysis of financial condition and results of operations," and adding, in their place, the words "Item 5 of Form 20-F

(§ 249.220f of this chapter), 'Operating and Financial Review and Prospects,'"; and by removing in paragraph (c)(3) the words "Item 9 of Form 20-F" and adding, in their place, the words "Item 5 of Form 20-F".

Dated: February 2, 1999.

By the Commission.

Margaret H. McFarland,
Deputy Secretary.

Appendix A

Note: This Appendix A to the preamble will not appear in the Code of Federal Regulations.

Securities and Exchange Commission

Regulatory Flexibility Act Certification

I, Arthur Levitt, Chairman of the Securities and Exchange Commission, hereby certify pursuant to 5 U.S.C. 605(b) that the following amendments to the Commission's rules and forms would not, if adopted, have a significant economic impact on a substantial number of small entities in the United States: changes to Forms F-1, F-2, F-3, F-4, F-6 and S-11 and Rules 175, 405, 434 and 463 under the Securities Act; changes to Form 20-F and Rules 3b-4, 3b-6, 13a-10 and 15d-10 under the Exchange Act; changes to Items 402, 512 and 601 of Regulation S-K; changes to Rules 3-01, 3-02, 3-12, 3-19 and 3-20 of Regulation S-X; changes to Item 310 of Regulation S-B; and changes to Rule 0-11 under the Trust Indenture Act. The reasons for this certification are as follows:

The amendments are unlikely to have a significant economic impact because they are based on current law and practice. Moreover, the amendments are intended primarily to facilitate offerings and listings of securities by foreign private issuers, by conforming the disclosure requirements of Form 20-F more closely to international disclosure norms. The resulting incremental reduction in the expense, time and effort of making offerings in multiple jurisdictions will directly affect only foreign entities that issue securities, rather than U.S. entities.

One possible indirect result of adopting the amendments is that foreign companies may offer securities to U.S. small entity investors who previously would have been excluded due to the time and expense of compliance with the regulatory requirements of more than one jurisdiction. The potential increase in foreign offerings in the United States may have some indirect impact on U.S. small entity offerings. However, the indirect impact is likely to be small, and its effect is not expected to be significant for a substantial number of small entities in the United States.

The proposed amendments would not have a significant economic impact on a substantial number of small entities. The primary effect of the proposals would be on foreign entities, which we believe are not considered as small entities under the Regulatory Flexibility Act.

Dated: February 2, 1999.

Arthur Levitt,

Chairman.

[FR Doc. 99-2931 Filed 2-8-99; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 1020

[Docket No. 98N-1170]

Medical Devices; Sunlamp Products Performance Standard; Request for Comments and Information

AGENCY: Food and Drug Administration, HHS.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: The Food and Drug Administration (FDA) is announcing its intent to propose amendments to the performance standard for sunlamp products. The agency is taking this action to address concerns about the adequacy of the warnings on sunlamp products, current recommended exposure schedule to minimize risk to customers who choose to produce and maintain a tan, current labeling for replacement lamps, and current health warnings which do not reflect recent advances in photobiological research. FDA is soliciting comments and information from interested persons concerning the subject matter of the proposed amendments.

DATES: Written comments by May 10, 1999.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Individuals or organizations wishing to receive copies of draft amendments or related documents distributed for review during the development of these amendments may have their names placed on a mailing list by writing to Office of Science and Technology (HFZ-114), Center for Devices and Radiological Health, Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, FAX 301-594-6775, e-mail address HWC@CDRH.FDA.GOV.

FOR FURTHER INFORMATION CONTACT: W. Howard Cyr, Center for Devices and Radiological Health (HFZ-114), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-7179.